JPRS-WER-86-087 26 AUGUST 1986

# West Europe Report

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in <u>Government Reports Announcements</u> issued semi-monthly by the National Technical Information Service, and are listed in the <u>Monthly Catalog of U.S. Government Publications</u> issued by the <u>Superintendent of Documents</u>, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

JPRS-WER-86-087 26 AUGUST 1986

# WEST EUROPE REPORT

# CONTENTS

# POLITICAL

FEDERAL REPUBLIC OF GERMANY

	Labor Office President Cites Growth in Gray Le' Market (Thilo Koessler; FRANKFURTER RUNDSCHAI Apr 86)	
GREECE		
	KYP Personnel Issue Statement on Reorganization Bill (PONDIKI, 20 Jun 86)	
	PASOK, KKE-Int Said Political Losers (I KATHIMERINI, 6-7 Jul 86)	
	Left Said at Critical Point (Panos Loukakos; KYRIAKATIKI ELEVTHEROTYPIA, 29 Jun 86)	1
	EDA Official Dismisses 'United Left' Initiative (TA NEA, 28 Jun 86)	1
	Dissension in ND Youth Organization Described (TA NEA, 19 Jun 86)	14
ITALY		
	Rubbi on PCI Middle East Peace Efforts (Antonio Rubbi Interview; L'UNITA, 18 Jul 86)	17
	PCI Approves San Marino 'Program Government' Alliance (LA REPPUBLICA, 16 Jul 86)	21
	Last PCI Held in Romagna Replaced by Tri-Party Coalition (Domenico del Prete; LA REPUBBLICA, 16 Jul 86)	2:

## NORWAY

	Forde Sees Possible Nonsocialist Bid To Regain Power in Fall (Morten Malmo; AFTENPOSTEN, 5 Jul 86)	26
	Paper Comments on Poll Surveying Middle Party Voters' Views (Editorial; AFTENPOSTEN, 27 Jun 86)	29
	Officials Charge Labor Party Politicizing Civil Service (Lars Helbberg; AFTENPOSTEN, 5 Jul 86)	31
PORTUG	AL	
	PRD's Position in Political Spectrum Analyzed (DIARIO DE NOTICIAS, 22 Jul 86)	33
TURKEY		
	Dams Seen as Opening New Era in Relations With Syria, Iraq (Teoman Erel; MILLIYET, 19 Jun 86)	35
	Implications of Ozal's Trip to Cyprus Examined (Fahir Armaoglu; TERCUMAN, 19 Jun 86)	37
	Controversial Islamic Leader Interviewed on Finances, Goals (Adnan Oktar Interview; MILLIYET, 17 Jun 86)	39
	SOCIAL	
GREECE		
	Results of Poll on Youth Attitudes in Personal, Social Life (Ath. Kh. Papandropoulos; TAKHYDROMOS, 29 May-5 Jun 86)	43
TURKEY		
	Changes Suggested for Problematic Penal Code Articles (Sulhi Donmezer; TERCUMAN, 17 Jun 86)	51
	ECONOMIC	
BELGIU	M	
	Employers Association Optimistic on Economic Trends (LE SOIR, 11 Jul 86)	54
ITALY		
	Accord Limits Public Transport Strikes to 100 Days (Vittorio Sivo; LA REPUBBLICA, 19 Jul 86)	56

# PORTUGAL

	Export Statistics, Trade Balance Details (DIARIO DE NOTICIAS, 21 Jul 86)	58
	Briefs Inflation Statistics	60
TURKEY		
	Pig Iron Shortage; Loss of Iran, Iraq Markets Reported (Ayfer Karatas; DUNYA, 17 Jun 86)	61
	Growing Trade Deficit Prompts Controls on Bulgarian Imports (DUNYA, 17 Jun 86)	63
	World Bank Loan To Finance Exports of Investment Goods (Emine Munyar; DUNYA, 17 Jun 86)	64
	Training, Organization Urged To Prepare for Entry Into EEC (Editorial; DUNYA, 19 Jun 86)	67
	Jet Engine Factory Construction Reported Near Complet.  (Kemal Aksit; DUNYA, 17 Jun 86)	69
	Southeast Anatolia Project To Become Focus of Development (CUMHURIYET, 17 Jun 86; DUNYA, 17 Jun 86)	72
	Sanliurfa Tunnel Specifications Given Construction of Batman, Dicle Dams Begins, by Ziya Aksoy SAP Benefits, Drawbacks Examined, Editorial	72 72 73
	Southeast Anatolia Project Seen as 'Holy War', 'Conquest' (Taha Akyol; TERCUMAN, 17 Jun 86)	75
	Land Reform Begins in Southeastern Provinces (CUMHURIYET, 17 Jun 86)	78
	Briefs Current Account Deficit Rises Erzurum-Diyarbakir Highway Shortened	80 80
	MILITARY	
GREECE		
	Developments in Military Aircraft Purchases (I KATHIMERINI, various dates)	81
	F-16 Flectronics Warfare System Delays	81

	Greek Firms To Build Systems for F-16s	82
	Increase in Offsets Percentage Asked	83
PORTUGA	AL	
	Armed Forces Protest Lack of Promised Allocations (TEMPO, 11-17 Jul 86)	85
	Army Reportedly Last in Military Equipment Purchase Planning (Cesario Borga; O JORNAL, 4-10 Jul 86)	87
	Navy Protests Poor Condition of Merchant Fleet (DIARIO DE NOTICIAS, 5 Jul 86)	89
	Briefs 'Barracuda' Submarine Described	91
	ENERGY	
EUROPE	AN AFFAIRS	
	ENEL-Led Conference Supports Nuclear Energy (Alberto Leiss; L'UNITA, 19 Jul 86)	92
NORWAY		
	Energy Minister Comments on Relationship With OPEC (Arne Oien; AFTENPOSTEN, 5 Jul 86)	95
/9987		

#### LABOR OFFICE PRESIDENT CITES GROWTH IN GRAY LABOR MARKET

Frankfurt FRANKFURTER RUNDSCHAU in German 15 April 1986 p 1

[Article by Thilo Koessler: "Actual Extent of Illegal Employment Unclear; Heinrich Franke Considers Half-million Realistic / Gray Labor Market Said to Turn Over DM 180 Billion"]

[Text] Nuremberg, 14 April--"Illegal employment and gray labor in the Federal Republic have reached alarming dimensions." This was stated at a press conference in Nuremberg by Heinrich Franke, President of the Federal Labor Office. Just for illegal employee transfers, the authorities imposed last year fines amounting to DM 10.4 million in approximately 1300 proceedings.

In spite of high fines, the net profits gained in this way were obviously not bad. Franke gave the example of one employer who had arranged his business deals through subcontractors, who had been fined DM 1.9 million for illegal borrowing of employees, but who had attained a turnover of DM 39 million by using illegal employees for 1.3 million workhours.

The Nuremberg office alone handled 191,000 cases, and almost 106,000 proceedings resulted in criminal charges or fines, or at least warnings. That was 23,000 more than in 1984. Illegal employment grew not only quantitatively but also qualitatively. "The offenses are becoming increasingly severe," according to Franke, which illustrates that last year the public prosecutors and the courts were busy with more than 17,000 criminal complaints by employment offices, an increase of 35 percent.

It was stated, however, that those cases which become a matter of record represent "only the tip of an iceberg." For, in spite of strenuous efforts, they have not succeeded in determining the real extent of illegal employment and the associated damage to society. Estimates range from 100,000 to 600,000 illegal employees, and Franke considers 500,000 to be "realistic." If the "gray market" actually turns over DM 180 billion, as is suspected, then this would be not only ten percent of the entire gross national product but also a loss of at least DM 50 billion in taxes and social insurance contributions.

However, as Franke stated, illegal employment is not just in the financial aspect "extraordinarily damaging to society and threatening for public

safety." It destroys namely legal workplaces and hinders the creation of new jobs, thereby running counter to joint efforts to reduce the number of unemployed.

Franke further stated that this diminishes social and labor law protection of these illegally employed and unfairly distorts competition by firms in the marketplace. In all of this, however, it is only one facet of illegal employment that those illegally employed are often paid twice, both unemployment compensation and untaxed income.

Illegal employee transfer particularly poses always new problems for prosecutors because establishing proof of illegal employee transfer is becoming increasingly difficult, although there are relatively clear criteria. Richard Wanka, of the Federal Labor Office, feels that "the underbrush of measures taken to obscure and conceal is becoming more impenetrable," especially with regard to sham work contracts and subcontractor contracts, which increasingly better conceal the contractual relationships and are already moving into the area of organized crime.

The legislature has, since 1982, expanded the necessary legal tools for successfully combating illegal employment, in that the exchange of information between federal and state authorities has been improved or regulations governing criminal complaints and fines have been strengthened. The Federal Labor Office has since then had the assignment to coordinate the joint investigations of all participating agencies, in pursuit of which a "support base system" has been established in 29 employment offices and in the 9 state labor offices, in which 350 employees have meanwhile been concentrating upon combating illegal employee transfer. According to Franke, however, the results achieved to date contrast with the regrettable admission "that we are not yet achieving decisive successes in either stemming or reducing illegal employment. In the 146 employment offices, an additional 250 specialists are assigned to assure that "order in the labor market" will be maintained as stated in the law. The Federal Labor Office expects better information-gathering results from increased use of data processing.

13275 3620/687 The leadership of a party which fights for power would be terribly incapable, if it were to say that the outcome of the municipal election does not bring a very strong political message. It would be as though such leadership would not disagree with the way the government treated the Local Administration during the time it was in office, and as though it did not assume toward the people responsibility for changing policy when it would succeed in office. But if ND did not disagree with all that PASOK did to Local Administration, what would be the meaning of putting up its own candidates in the municipalities and communities?

And if Evert or any other candidate for municipal or communal office supported by ND called only on the party followers to give him their support, and not on all those who disagree with the partisan character imposed by PASOK on Local Administration, and with the even more strict character demanded by "orthodox" Marxists, how could be implement the decision of his party to work toward a different treatment of Local Administration?

How could he achieve the necessary confluence of the maximum number of citizens who want true self government and who are convinced that only through a change in government is it possible to bring about a change in municipal affairs?

There is absolutely no difference whatever between the political demand derived from the municipal elections and the search for wider, possible support for another, upgraded form of Local Administration; support which will also serve as the strongest argument in pushing forward the change in government which is a pre-condition for a change in municipal agencies.

The difference between partisan intentions and pre-election claims exists only with those who shed crocodile tears over the supposed crime of politicizing the municipal election. That is, among those who do not dare, or do not consider it to be in their interest, to openly assume their political responsibilities. On top of this list we find the...defeated PASOK!

7520

CSO: 3521/200

LEFT SAID AT CRITICAL POINT

Athens KYRIAKATIKI ELEVTHEROTYPIA in Greek 29 Jun 86 p 48

[Article by Panos Loukakos: "The Left Is At A Crossroads of Developments," The Critical Moment...]

[Text] The municipal election bells are also tolling these days in the camp of the Left. PASOK and New Democracy, after a great deal of internal party frictions, have already made their choices and have virtually launched their pre-election campaigns. Not so with the communist Left where they are undergoing protracted "labor pains" since it is clear that the two basic poles, the KKE and the KKE-Int (Interior) are not about to cooperate on one candidate for Athens where the political battle is to take place.

These "labor pains" have given birth to a series of questions, the most important being, what do this year's municipal elections mean for the communist Left.

Starting with the KKE, the October elections should constitute the Left's response to PASOK's governing record. For this reason, the KKE, from the outset, came out in favor of cooperation among communist and leftist forces. During the first discussions which took place, it was clear that the KKE would not fight to impose its own candidates everywhere. Indeed, it even appeared that it had no intention of monopolizing the pre-election political campaign, without of course anyone knowing what its post-election position would be. That is to say, to what extent it would try after the elections to emerge as the dominant power in the communist Left. But, since one is judged by one's actions and not by one's intentions, it has to be admitted that the KKE was more than ever before open to the idea of cooperation.

The KKE-Int (Interior), on the other hand, decided to go it alone, at least in Athens, where the major political battle will take place. This decision means that the KKE-Int views the municipal elections as an opportunity to define its own place in the wider Left, as well as an area for confrontation with the governing record of PASOK. In confronting the government it prefers to measure up in ballots, while on cooperation with the KKE [it prefers] to preserve its political "purity."

POLITICAL GREECE

KYP PERSONNEL ISSUE STATEMENT ON REORGANIZATION BILL

Athens PONDIKI in Greek 20 Jun 86 p 16

[Text] An "Intervention" in the subject of the draft bill on KYP [Central Intelligence Service] (which in accordance with this draft bill will be called the "National Intelligence Service" [EYP]) is being exercised by two employee organizations, through the issuance of a joint memorandum. They are:

- The KYP Organization of Professional Employees
- The KYP Organization of Wireless Operators

In sending the memorandum to each appropriate authority (and to the press) following the passage by the responsible parliamentary committee (29.5) of the draft bill which now awaits its turn for the plenary session, [these employee organizations] explain their action (which is unusual for KYP personnel) with the following two reasons:

- Because the memorandum comes from persons who are experienced in and knowledgeable about "KYP matters."
- 2. Because they believe that "the primary and most important step toward a real and permanent National Intelligence Service is passage of the draft bill by the Chamber of Deputies plenum."

"We represent—they say—two organizations which are no more than 6 months old, but whose members have served from as many as 30-plus years down to service of only a few months. The impetus behind this joint memorandum is the hope that we can have a Service free of the destructive drawback caused by the absence of continuity and professionalism, a drawback which, when combined with the absence of a restraining mechanism, permits the use of anti-democratic methods, of which we have had bitter experience in the past. Our members, given their mission which usually is carried out under extremely difficult and hazardous conditions, are the first to become aware of indications of a threat from our permanent foreign danger and are uniquely sensitive to informing the government directly and accurately. In addition, they find it especially bitter when all personnel (including those having high qualifications, or specialized knowledge, and a high sense of responsibility and experience) are tainted by the general impression left

from incidents which took place in the past, and when one knows that they are carrying out a serious national duty which every Greek would be happy to assist and respect if he could know and were sure that he is being safeguarded and not threatened."

Let us look, word for word, at this memorandum (it has not been previously published as far as we know...) since KYP...is of interest to us all, and perhaps because it too...is interested in all of us!

"Memorandum on the Draft Bill 'National Intelligence Service' [EYP]"

As described in the introductory statement, the draft bill undertakes a fundamental reorganization of the Service, so that EYP, as it will be called, will become a modern and effective agency, with a qualified permanent staff, which (regardless of its origins) will be governed by a unitary disciplinary regime and will have the same monetary incentives. Simultaneously, the EYP will be freed from the stigma of the anti-democratic activity and misconduct of the past. Thus, the unattainable dream of some older [KYP] employees and the goal and demand of newer employees, which started looking hopeful following the passage of Bill 1415/84 setting up an independent Civil Service subject to the premier, now looks as if it will become a reality.

It is natural for us to welcome such a draft bill with great satisfaction and to hail its submission to the Chamber of Deputies, hoping for its rapid passage. After studying the articles of the draft bill, however, we note that there are some points which leave room for a return to older situations, allow interpretations favored by special interests, create a sense of insecurity to its personnel and do not secure a true and complete reorganization because permanent employees who have a complete and in depth knowledge of the matter are left out of the drafting of the PD (Presidential Decrees).

Analytically speaking and for the reasons mentioned above, we propose the following amendments of, additions to, or omissions from the articles in the draft bills.

- 1. In Article 4, add the paragraph "In drafting the Presidential Decrees, representatives of the Employee Organizations will take part."
- 2. In Article 5, the term Alternate Director General should be substituted in place of the term Deputy Director.
- 3. In Article 7, paragraph 1 to be amended. The Service Board of the EYP personnel will be made up of five members including one EYP Deputy Director-two EYPs employees at the First Grade (A) level-a lawyer- and an elected representative of the employees, as now called for by decrees which apply to service boards.
- 4. In Article 7, paragraph 5 to be omitted and replaced by "the Disciplinary Board to be organized like the Service [Board] with a different composition of people."

- 5. Article 10, paragraph 2 to be amended as follows: "EYP personnel can be transferred for service reasons and by decision of the Service Board, to vacant or designated temporary positions in other Civil Service positions, based on formal and substantive qualifications and on the needs of the Public Administration, as jointly decided by the premier and the responsible minister. In like manner, EYP employees may be transferred to vacant or designated temporary positions in other Civil Service positions if the stay [of such employees] in the EYP does not serve the interests of this service, if so decided by the service's Disciplinary Board or at the request of the employee if submitted to the Administration during the first 6 months following the issuance of the Presidential Decrees." The rest remains the same.
- 6. Article 12, paragraph 2 to be amended as follows: "The transfer of EYP personnel from central to district services or conversely from a district service to another, will take place in accordance with the existing regulations of Presidential Decree 611/77 and for reasons having to do with the interests of the EYP. Under exceptional circumstances and in order to cover emergency service needs, detachments may be made at any time and in contravention of any other order after the Service Board has issued an opinion.

Finally, they request the omission of paragraph 3 from Article 13, paragraph 'f' from Article 4, and the amendment of paragraph 2 in Article 5 to read as follows: "One of the Deputy Directors will be a recallable employee in the specialist position category with Grade 2 and will be appointed and dismissed by decision of the premier. The second [Deputy Director] will be an employee of the same rank [chosen] from among permanent employees of the Service."

13041/12781 CSO: 3521/183

PASOK, KKE-INT SAID POLITICAL LOSERS

Athens I KATHIMERINI in Greek 6-7 Jul 86 p 9

[Text] Even before they are held the municipal elections have their... losers! They are PASOK and, unfortunately, KKE-Int., too. PASOK's defeat is shown by the fact that it is being deserted by the leftist forces it had sheltered under its socialist wing, as party formations or individual personalities to play the role of vote getters.

The problematic participation of KKE-Int. in the forthcoming municipal elections is demonstrated not so much by its insistence on refusing to cooperate with the parties supporting the candidacy of Th. Katrivanou in Athens, as it is by its inability to convincingly and clearly present the "reasoning" for its behavior.

PASOK's desertion is an expected consequence of its impressive failure as a party of power, and, moreover, of power that would lead the country to its "socialist transformation." For KKE-Int. very likely intra-party causes prevented a bold "meeting of acquaintance" with the electorate, following KKE-Int.'s "redevelopment", and the development of an electoral proposal which would "prove" that its beliefs are its comparative "advantage" with regard to the other socialist and communist parties.

Two events which initiated the election campaign prove the intense effect of partisan expediencies—or pressures—in the deployment of camps which will compete for municipal and communal posts, denuding with no sign of "historic shame" their claims that they set aside the interests of the party in order—at long last!—to raise the institution of Local Administration to its proper position!

Everyone is actually serving—and quite logically so—these partisan expediencies. But they denounce them, as though it were possible for the Local Administration to develop into an organ of decisive significance for the citizens—as is the case in the truly democratic countries—before there is a government to genuinely embrace the task of upgrading the local authorities.

In the name of this hypocritical division—each for his own case, while supporting the opposite view for others—there is an interpretation of events, or events are manufactured, for the opposing parties in order to accuse them of being insincere, or unworth of support, since their internal disputes make them incapable of inspiring their candidates with the appropriate "non-partisan" line in an election of municipal officials.

What does all this mean in practice? It means that there will not be a common leftist candidate. It means that it is not likely that anyone other than Mr Evert and Mr Beis will make it through the second round. It means that the possibility for gathering voters behind a single candidate of the Left, which would lead him into the second round instead of Mr Beis, was smothered at birth. Therefore?

Therefore, in the second round, the voters of the communist parties and the wider Leftist camp will willy-nilly vote overwhelmingly for Mr Beis.

Behind this given situation there lurks a whole political philosophy containing certain crucial choices. The first of these is that the area the KKE-Int represents, definitely "burns its bridges" to the KKE. And these bridges are burned because if it refuses electoral cooperation in this one circumstantial instance of municipal elections, it is even more likely to refuse any kind of future cooperation when something more than the election of some mayors is at stake. The second choice is that the KKE-Int does not believe that at this moment an overall Leftist response needs to be made to PASOK. And this point of view undoubtedly builds some political bridges toward the PASOK side. Even if this is not the current intention of the KKE-Int leadership, in the end this is how it will work out in the future. The third choice of the KKE-Int leadership is that, at this moment, a settlement of the "internal" problems dominates over the government's policy in the area of the communists and, in a broader sense, of the leftists.

These choices give rise to definite situations. Already, those dropped by PASOK, Mr G. Arsenis and anything he says, and a large non-coordinated group within the KKE-Int, have opposed the non-cooperation decision as formulated by the Messrs L. Kyrkos, K. Filinis, A. Brillakis and G. Banias. One of the main reasons for this opposition comes from the fact that during the second round of municipal elections, for one more time, the communist Left will once again become the political tail of PASOK, and unconditionally, at that, since it will have absolutely no negotiating card. The choice will be between Mr Evert and Mr Beis and in fact the communist parties will be obliged to support the latter. If, on the contrary, the Left were to rally around one common candidate, and if that candidate were to make it to the second round instead of Mr Beis, then for the first time PASOK would be obliged to support a Leftist candidate who does not come from its own camp.

All these matters, of course, will be assessed following the outcome of the October [election] results. If the KKE-Int's choices result in an electoral defeat, if, that is, its candidate draws fewer votes than the party's usual strength [would get] in the Athens First Electoral District, then the problem faced by the party's current leadership will be very great. If, on the other hand, the number of votes is relatively high, then in intra-party terms the choice will have been justified, but politically the KKE-Int will have to decide in exactly which camp it wants to move. In other words, whether it is a party related more to the KKE, or to PASOK.

For the KKE, on the other hand, the situation emerges differently. The decisions of the KKE-Int make it easier for the KKE to monopolize the traditional

communist left camp, in which until recently, the party of Mr L. Kyrkos also wished to maintain access. On the other hand, the KKE runs the risk of getting a vote count in the municipal elections which does not meet its expectations, since it will reflect the pure product of its own electoral strength. If the number of votes received should be lower than what the party usually draws in the Athens First Election District, then surely there will also be many severe problems in that area with regard to the party's political line and its general orientation—problems which would have been overcome had there been general cooperation.

All these factors constitute a whole series of very serious activity in the camp of the communist Left. Whatever the results of the municipal elections, the effects will be decisive both for the KKE and for the KKE-Int as it moves towards its [Party] Congress. Whatever the results of the municipal elections, it looks as if the hour for definite decisions by the Left and leftists has already arrived.

13041/12859 CSO: 3521/188 POLITICAL GREECE

EDA OFFICIAL DISMISSES 'UNITED LEFT' INITIATIVE

Athens TA NEA in Greek 28 Jun 86 p 9

[Text] Twelve years ago EDA, KKE and well-known individuals of the Left formed an electoral alliance known as the "United Left." The KKE (Int) participated unofficially with its secretary and others because the leadership of the KKE would not accept an official participation as long as the KKE (Int) held on to its "provocatory" title.

During the entire preelectoral campaign of those days the "United Left" did not come to grips, in a self-critical manner, with the old mistaken and disastrous policy of all the KKE leaderships from liberation until the Junta, kept from the people and the leftists the fragmentation of the communist and leftist movements, the reasons that caused it and the unbridgeable differences that existed.

The people, the popular movement, judged, and correctly so, that the "United Left" was a temporary electoral alliance incapable of providing an alternative solution and they began to gather militantly around the then newly-formed PASOK.

The "United Left" only strengthened the KKE. It gave its leadership the possibility of avoiding criticism and of reviving the same policy that in the past had led the popular movement into the trip of Anglo-American imperialism with its native lackeys (December, the Civil War, "What's the difference between Papagos and Plastiras?").

Immediately after the overthrow of the Junta, the same policy was copied with the famous slogan of the KKE secretary: "What's the difference between broccoli and cabbage?", finally ending in the demonstration: "What's the difference between PASOK and the Right?"

The other "United Left" partners have not yet been able to recover from that enormous political blunder of theirs.

The KKE (Int) is still trying to find its identity and is struggling for its very existence. It took 12 long years for a fraction of its leadership to try today to do what we of EDA always maintained under the leadership of the unforgettable and worthy leader of the Left, Ilias Iliou. In other words, for the KKE (Int) to abandon the communist names and symbols, which were tainted with errors and failures and were oppressively limited and which, in addition to the other negative things, cast the KKE (Int) into a dogmatic and low contest with

the KKE and prevented its using EDA as a means for reaching the broad political and national field of Greece. The same advice was given to the KKE (Int) leadership by the well-known leader Pajetta on behalf of the PCI [Italian Communist Party] leadership.

The EDA could not succeed because of the consequences of its own weaknesses and the war against it by the two KKEs, especially the Interior, which considered the EDA the greatest obstacle to its efforts to supplant the KKE among the moderate ranks of the Left.

This notwithstanding, EDA's presence was positive as opposed to that of the two KKEs. With the interest of the country and the people as its only criterion, it joined the broad, strong movement for Change and the principal party representing it: PASOK. It took an active part in three top electoral contests—1981, 1984, 1985—and supported from the left the difficult course for Change. Today, 12 years later, the danger of resurrecting the "United Left" is again raising its head with the KKE as its mastermind and sponsor. The KKE leadership considers that the forthcoming municipal elections and the anti-PASOK posture of the other parties and groups of the Left provide fertile ground for that old experiment to succeed, especially in the country's "first city" government. With the difference that today it is sometimes called "Front of the Left" to teach PASOK a lesson and at times "Coalition of the Left" to elect the appropriate mayors and councilmen. This is to suit the case and the audience.

Were we followers of Machiavelli, we would like to enjoy this indeed singular spectacle of unsuccessful politicians of the Left, with their unproductive, harmful policy, sidetrack—for 40 years the grandiose and heroic movement of the National Resistance, who appoint themselves as instructors to teach successful PASOK a lesson.

It is actually a blessing that the majority of KKE (Int)'s leadership is, for the time being, resisting the pressure of its own anti-PASOK faction, that of the KKE as well as that of those who were expelled from or who left PASOK and who wish to vent their anti-PASOK fury in the municipal elections. It appears that many leaders of the KKE (Int) are aware of the fact that once they cross the threshold of the "United Left," their party will come under the category of those for whom Dante's epigraph on the Gates of Hell was written ["All hope abandon ye who enter here."].

Objectively, the refusal of the KKE (Int) to join the anti-PASOK front has a very positive political significance. It thwarts the plans of KKE's leadership, which is seeking to line up the entire traditional Left against PASOK in order to dominate it, thus excluding it from any future formulation of a different political thought and to entertain vain hopes, for vote-getting purposes, that the Front can obtain 30 percent of the vote and win the following Sunday [second ballot]. In other words, it is repeating the scheme of the unforgettable 17 percent of 1981, which, of course, dropped to 10 percent.

'It is truly unfortunate that the possibility of joining KKE's front with EDA secretary, Theodoras Katrivanos, as the Athens mayoral candidate, is being discussed within EDA. There are a thousand more reasons for EDA to prevent it from jumping into the pit of the Front than there are for the KKE (Int).

For 5 years now we have been aligned with the Change front while the KKE, in complete political contradiction with EDA, is fighting it.

There is no justification for EDA to change its policy on the basis of errors and wrong choices by PASOK and the peculiarity of the municipal elections.

A change of policy for EDA and its coalignment with the KKE can be justified ethically and politically only when the bankruptcy of PASOK and the government have been substantiated along with a substantially radical change in the harmful policy of the KKE. Luckily, the former is not happening nor, unfortunately, is the latter.

The PASOK leadership should support Katrivanos' candidacy because it would help achieve a broader unity and would somewhat blunt the violent attack of the two KKEs against the government. Even if the KKE were not to support Katrivanos because it had already prepared the break with PASOK, it would be politically counterproductive because of the reaction it would engender in the ranks of the Left. In any event, Katrivanos' candidacy would have a broader leftist, party and popular support than that of Mbeis.

It is an urgent political, one could say national, necessity for every effort to be made within the framework of Change and popular opinion, mainly by PASOK and by other forces, in order for the KKE to abandon its fruitless, harmful policy and to adopt a constructive posture capable of facilitating the developments and the course of Change. If KKE's present policy immobilizes into negative and confrontational positions a significant portion of about 15 percent of our popular movement and with the consequent strengthening of the Right a foregone conclusion as a result of this, sooner or later the functioning of our democratic parliamentary system of government will be jeopardized.

An eventual coalignment of EDA with the KKE in the Athens city government can in the end only strengthen the Right and the KKE's policy without even having the remote possibility of making it to the second Sunday [ballot].

Nor can EDA align itself with the KKE (Int) because, from all appearances, its leadership will give the municipal elections contest in Athens an anti-PASOK nature with the objective of teaching PASOK a lesson. The EDA, in accordance with its policy until now and its realism, must support Mbeis' candidacy, even moreso because PASOK backs all of EDA's candidates in Volos, Ymitos, Drapetsona and Nea Ionia. In addition, the possibility of an independent candidacy for the Athens mayoral elections could be considered, based on the decision of the EDA Executive Committee on the subject of the municipal elections and for the upgrading of the TA.

9731

CSO: 3521/191

#### DISSENSION IN ND YOUTH ORGANIZATION DESCRIBED

Athens TA NEA in Greek 19 Jun 86 p 3

[Text] On the eve of the municipal elections, ONNED finds itself a heartbeat away from crisis and tension without—as the events indicated—being able to avoid them and, most importantly, without the leader of ND—who is considered by all as being basically responsible for the situation as it has developed—being able to react effectively.

Bound by his choices, as his opponents claim, Mr. Mitsotakis does not have any possibility whatsoever for maneuvering in order to defuse the crisis, or at least of postponing it, until after the municipal elections; therefore, the game is controlled by those who hold the "aces."

According to reliable sources, Mr. Mikhaloliakos' "hardliners" will begin their attack in the next few days by demanding the setting up of a congress that Mr. Mitsotakis had promised 18 months ago. This demand will be formulated under the guise of many-faceted moves within the ONNED organization as well as outside of them, within the party--Mikhaloliakos himself is determined to bring it up before the leadership as a member of the central committee--and at all levels of the party.

Mr. Evert

At the same time, Mr. Mitsotakis is no longer able to keep out of the youth organization his intraparty adversaries, especially Mr. Evert, who projects the image of the cadre with the leadership talent to regroup the party and the youth organization. According to the evaluation of some observers, Mr. Evert will form his pre-electoral apparatus from among members of the youth organization, who have, to a greater or lesser degree, "distanced" themselves from Mr. Mitsotakis, with the main focus constituted, of course, by Mitsotakis' sworn enemies. It is evident that this apparatus is going to be used after the elections, regardless of their outcome, for Mr. Evert's rise to the leadership of the party. In the meantime, these rumors have created an upheaval within the present leadership of ONNED to the point that one of the top cadres pointed out yesterday that "if Mr. Evert is going to use such tactics he must consider our discreet absence from the pre-electoral contest as a foregone conclusion."

Another aspect of the ONNED crisis is created by the "family" discussions that have developed because the present leader of ONNED, Mr. V. Meimarakis, is

openly challenged by ONNED cadres, especially Mr. G. Voulgarakis, present head of the university students sector who—as TA NEA reported a few days ago—is supported by Mr. Mitsotakis' innermost circle.

Indicative of this dissension are the events that took place recently in Salonica which resulted in sending M. Siopsis, a member of the Nome Committee, before the disciplinary board with the threat of expulsion. This was brought about by Siopsis' written report requesting an audit of his organization because its debts exceeded 3.5 million drachmai.

The report was considered to be a "stab" against the chairman of the Salonica Nome Committee, N. Mbalas, one of Mr. Mitsotakis' faithful, and moreso because it implied that financial improprieties might be uncovered. The case is to be reviewed shortly by the executive committee. However, it is going to be difficult to expel Siopsis because he has the support of several ONNED cadres. According to reliable sources, another cadre of ONNED will be sent before the disciplinary board for the same reason.

All of this is, of course, just the tip of the iceberg whose "course" those close to the leader of ND are attempting to change via various schemes.

Thus, the leader of ONNED--at Mr. Mitsotakis' instigation, of course--proposed during the last meeting of the executive committee that conferences be organized with the participation of those elected to the offices of local organizations to discuss--in general--various problems of the organization. It was believed that in this manner (democratic dialogue, etc.) the suspicions could be somehow dispelled and, at the same time, measure the strength and currents within the organizations. His proposal was received with reservations by the majority of the members of the executive committee, nost of whom requested the organization of the congress. More specifically, the request for the congress was made by: G. Voulgarakis, heir-apparent to the office, head, at present, of university student affairs; Mikhalis Papadopoulos, head of graduate student affairs and the only friend of Mikhaloliakos in the present executive committee; Kostas Dologlou, head of administrative and economic affairs; Nikos Korogiannakis, head of secondary school student affairs and Ilias Adamopoulos, head of workingmen's affairs. Only a very small number went along with the leader's proposal.

It is easy to see that Mr. Mitsotakis' space to maneuver is shrinking when the majority of the "lesser" cadres who support him politically are demanding a congress.

However, it must be pointed out that for these cadres the—by now--famous congress is nothing other than a screen for their ambitions in the leadership. In other words, they are actually pressing--and with them, Mr. Mitsotakis' entourage--for a change in leadership.

#### The Hardliners

The hardliners, however, led by Apostolos Siampanis, want the congress. The moves that are being plotted aim at its immediate convocation and they propose an agenda that deals with the following issues:

To clarify the relations between the party and the youth organization so that ONNED may obtain independence and self-reliance;

Election of a new leadership;

A program of action for the organization.

These are issues which will sensitize ONNED's rank and file to be sure and if an upheaval were to begin, it would be very difficult for Mr. Mitsotakis to put a stop to it.

The hardliners claim that all regional organizations of ONNED are on their side. "In Peleponnisos, Ipeiros, Thessalia and even in Crete not only do they not have any strength, but they dare not organizae open demonstrations," one of Mikhaloliakos' groups' leaders told TA NEA yesterday. "Even in Athens," he went on, "their strength is negligible."

Examples |

As a matter of fact, he mentioned two indicative examples:

There was a conference in Patrai prior to the university students elections that was addressed by Mikhaloliakos. The Municipal Theater was packed and one of the slogans heard was "This is what Mikhaloliakos is all about."

During the recent (15 days ago) elections for the DAP-NDFK Central Secretariat eight of the 17 members elected were hardline followers. Here too the slogans heard were the same and a little vulgar.

These are not the only instances of tension and they surely foreshadow what is to follow.

The moves that are making themselves manifest may not have the desired effect, that is, the convening of the congress before the municipal elections. The margins, however, are getting narrower as we have reported and there is a general belief that it will take place immediately following the municipal elections.

Then, in the event of interference by Mitsotakis' opponents in the congress, the probabilities of things changing in ONNED are considerable.

Everyone can understand what it means for Mr. Mitsotakis to lose ONNED.

9731

CSO: 3521/192

#### RUBBI ON PCI MIDDLE EAST PEACE EFFORTS

Rome L'UNITA in Italian 18 Jul 86 p 3

[Interview with Antonio Rubbi, in charge of international relations for the PCI, by Giancarlo Lannutti; place, date not given]

[Text] In conversation with Antonio Rubbi after the meeting with 'Arafat. The contacts with the other progressive forces in the region. A commitment to the population of the occupied Arab territories.

Rome--After having ordered the closing of 25 PLO offices in Amman, King Husayn of Jordan raised the sights of the polemic against 'Arafat by seeking to delegitimize him in the eyes of the population of Trans-Jordan; while in the waters of the Gulf of Sidra there were again opposing maneuvers on the Libyan and American sides. Two signals of growing tension on the two sides of the complex Middle East crisis. We talked about it with Comrade Antonio Rubbi, in charge of international affairs for the PCI, who, at the head of a party delegation, met in Tunis during the past few days with Yasir 'Arafat himself, one of the biggest figures on the Middle East stage.

[Question] Thus, what did 'Arafat tell you?

[Answer] "He naturally regarded as negative Husayn's decision to unilaterally renounce the Amman agreement (thus breaking the last thread of the only negotiating possibility still on the table) and declared himself for the necessity of initiating other negotiating processes. In particular, he stressed the necessity to call an international conference under UN auspices; and this course should be more practicable in view of the ever-broader approval that a proposal of this kind is encountering, also on the part of King Husayn himself. 'Arafat added that he had talked about it recently also with UN Secretary General Perez de Cuellar. The thought is to include initially the members of the Security Council and representatives of all the Middle East parties involved, and thus those of Israel and the PLO. We believe that this initiative should be supported by our government and the other European governments."

[Question] You have talked about almost unanimous agreement on this proposal. What other agreement have you received, other than 'Arafat's?

[Answer] First of all, similar arguments were made to us in Tunis by Arab League Secretary Chedli Klibi, in a first meeting with a PCI delegation. He gave assurance of the support of all the Arab states for such an initiative. And Comrade Giorgio Napolitano, in his meeting in Moscow with Dobrynin, encountered a similar attitude of the Soviet Union, then confirmed in the Budapest document of the Warsaw Pact countries."

[Question] "While waiting for the initiative to possibly take shape (by overcoming among other things the decisive opposition of Israel, and, to a lesser degree, that of the United States), there remains the stalemated situation. And it is a situation that affects us directly, since we are also on the Mediterranean. What can we do, therefore; what can Europe do?

[Answer] The worst thing for our government, as for the other EEC governments, would be to assume a position of resignation, such as saying that for the moment there is nothing to be done, that for the time being there is no practicable scope for a new Italian and European initiative. To the contrary, we think that since the conflicts and tensions existing in this region directly affect the security interests—and more in general the political, economic and commercial interests—of Europe, the latter should get involved with its own initiatives and with the urgency that the situation requires."

[Question] In other words, it is a matter of providing a concrete follow-up to the Venice declaration or 1980?

"That is exactly what Arab League Secretary Klibi said to us, [Answer] recalling that in the aftermath of the Venice declaration, which was welcomed by the Arab World, there was a call to the Palestinians and the Arabs to also make a step forward; and there were then two significant position decisions, that is, the PLO acceptance of all the UN resolutions (including No 242) and the formulation at the Fes summit of a peace platform whose point 7 implicitly recognized Israel. Thus, there were created the preconditions so that Europeans and Arabs could constructively contribute to a political negotiation that would lead ultimately to solution of the three great remaining problems in the Middle East: self-determination of the Palestinian people, recognition of Israel's right to security, and the future of the occupied Arab territories. Unfortunately, however, things froze at that point. The issue, then, is that again there are coming from the Arab World and from Europe signals of willingness to resume the dialogue, and new proposals are being advanced. We cannot resign ourselves to the existing situation. Continuation of the stalemate will inevitably produce a further worsening."

[Question] And how do we as a party act in this situation?

[Answer] "It was precisely these considerations that prompted a party such as ours, conscious of its responsibilities in Europe and in the Mediterranean area, to move with its own initiative, oriented toward all the possible participants, governments and political forces on the two shores of the Mediterranean. In addition to the meetings with 'Arafat and Klibi, we have met with Cherif Messadia of the Algerian FLN, then a meeting by Natta in Belgrade, and with the leaders of the Destourian Socialist Party of Tunisia

(which for the first time invited us to its recent congress); and we will soon have other meetings with the Syrians, Lebanese, the Malta leaders (charged with holding the conference of Mediterranean neutral and nonaligned countries in their island), and with the governments and political forces of the European shore."

[Question] And with the Libyans? Have you not had contacts with them?

[Answer] Yes, certainly. We have already had two meetings with the Libyans. We received a representative of the government right after the dramatic events of April (the U.S. bombing of Tripoli and Benghazi, and the firing of Libyan missiles at Lampedusa), and we met last Monday here in Rome with Under Secretary Ahmed Shahati. We did not want to give these meetings a demonstrative and merely propaganda character, because in such a serious and delicate situation that would end up impeding the search for thought-out and constructive solutions. We cannot behave like others who do not have our responsibilities as a great party, always committed in terms of seriousness and concreteness in its international initiatives."

[Question] Did you also talk about terrorism?

[Answer] "Yes, about the inadmissible military attack on Lampedusa and about international terrorism. We also talked about it in Tunisia at the preparatory headquarters for the conference of socialist and progressive forces in the Mediterranean, an initiative of great importance that in November will assemble 35 parties and movements of the area to discuss the major problems of security and cooperation in the Mediterranean. In regard to terrorism, we unequivocally confirmed our position of condemnation of terrorist acts, in any form. We heard also from 'Arafat words of hard condemnation of clashing actions that have no justification, that should not be given any protection, and that indeed—as 'Arafat further affirmed—strike above all at the cause of the Palestinian people and count the PLO itself among their first victims. The Palestinian leader added that "a movement" is developing in the Arab World that is decisively committed to firmly opposing this phenomenon, which is dangerous and destabilizing for all the countries in the region, including the very Arab countries themselves."

[Question] And the Libyans? What did they say?

[Answer] "Also the Libyans declared themselves opposed to these terrorist acts, and they told us in fact that they had challenged the United States to exhibit proof of their supposed responsibility. Nevertheless, we requested that their positions be less ambiguous and incoherent, and asked for a statement of preparedness to cooperate against terrorism on the international level. This said, there must be no confusion, on the contrary we need to be able to distinguish between this phenomenon, which must be fought by all means, and the sacred and legitimate struggle for liberation of people oppressed or under occupation, to cite a specific case, the struggle of the Palestinian people in the occupied territories."

[Question] Indeed, the occupied territories: Do you agree that this is one of the key points in the Middle East crisis and its current stalemate? [Answer] "Certainly. The situation has worsened and has made more onerous the condition of the population of Trans-Jordan and Gaza, where repression and enticement alternate, but where there is an insistence on not recognizing the fundamental right to self-determination. To this end, we consider it important that the progressive forces, including those in Israel, and the international community commit themselves to opposing the policy of Israeli settlements and to concretely supporting the autonomous economic, social and cultural development of the people of the occupied territories."

[Question] Here we turn to focus on the PLO, which is the natural representative of those people. How do you view today its role and its unity problem?

[Answer] "I regard it as very risky to aim at breaking up the PLO and at further dispersion of the Palestinian people: the only product of this could be new motives for frustration, with all the negative consequences that that could involve. Instead, it is in everyone's interest to promote unity of the Palestinian people and full representativeness of the PLO. King Husayn's biggest mistake is precisely in ignoring the will of the people of the occupied territories, the great majority of whom identify with the PLO led by 'Arafat, as the latest statements also confirm."

[Answer] To conclude with a more general question. We have said that we also live in the Mediterranean, in direct contact with its crises. Don't you believe, therefore, that by working for peaceful, negotiated solutions we are working for the immediate, let me also say material, interest of our country?

[Answer] "The situation of crises and tension has already produced serious setbacks in economic and trade relations between countries on the two shores of the Mediterranean, extending to the absurd imposition by the Italian Government of entry visas, even for countries like Tunisia and Algeria, which one can certainly not say are encouraging terrorism. And this harms the interests of countries such as ours, which have a greater volume of trade with that part of the world than, for example, we do with the United States. However, today there is a new fact to which we must pay great attention: I am referring to the new condition developing in many countries of the Middle East and North Africa with the collapse of oil prices. This can undoubtedly bring us current advantages, however in the future it could produce very negative effects, in particular a decline in trade, reduction in exports of investment capital and goods, and thus an overall worsening in the trade balance. Thus, in summary, one could cite two negative facts: increased political instability on the one hand, and a drastic reduction of economic and trade ties on the other. All this prompts the necessity for Italy and Europe, in their own interest, to immediately take up again the thread of political dialogue and contact, and at the same time to study new ways to develop the ties of overall cooperation with the countries of the southern shore of the Mediterranean."

9920

CSO: 3528/177

PCI APPROVES SAN MARINO 'PROGRAM GOVERNMENT' ALLIANCE

Rome LA REPPUBLICA in Italian 16 Jul 86 p 5

[Text] San Marino--On Thursday, at the latest Friday, under the favoring eye of Communist Headquarters and Giulio Andreotti will be born the first program government in Europe. Serving as godparents will be the DC and PCI of the little republic of Monte Titano. The DC led by Gabriele Gatti, a Romagnan very close to the president charged with forming the new government in Rome, and the PCI of Secretary Gilberto Ghietti, who has this week kept open a direct line with the national secretariat of Italian Communists.

The new government will officially come into being at the end of this week, when the DC will present to the two regents of San Marino-Socialist Marino Venturini and Communist Ariosto Maiano-the list of the three new secretaries (the equivalent of our prime minister) and seven deputies (our ministers). The DC and PC have already agreed on everything. Program and departments. Two secretaries (finance and foreign affairs) and three departments to the Christian Democrats, and one secretary (internal affairs) and four departments to the Communists. The PC has thought about the program. A few dozen pages with attention focused on institutional reform (San Marino is the oldest republic in the world, but it does not yet have a constitutional charter), new methods of management of administration, culture, and social and economic problems.

For the Republic of Titano it is almost a historic turning point. For the first time the DC and PC find themselves governing together, and—a complete novelty—the two Socialist parties, the PSU and the PSS, go into opposition. Also in the minority are the small lay parties, the PSD and the PR. Thus concludes a crisis that lasted a couple of months and endured polemics, big rows, trips across the sea, and conflicting vetoes.

The most disappointed, obviously, are the Socialists. With their 22 percent they were convinced they could continue to be the pointer on the scale in the Parliament of the ancient republic. They go into opposition as the result of the unappealable veto by the DC. "Either them or us," Gabriele Gatti said to the Communists. The PCI, which very much wanted all the parties to participate in its program government, was forced to redesign. It accepted, but took its revenge by barring the door to the PSD and PR. Gilberto Ghiotti answered: "If the Socialists don't come in," then the lay parties also stay

out. At most, they can support us from outside. With them, our "little jewel" would be too unbalanced toward the right.

Plans like a pharmacist's balance scale? True in part, but also there are some little histories of old country rancors. The number one of the PR, in fact, is a former independent elected on the PC lists. He is Cristoforo Buscarini, and from 1974 to 1978, when the leftist majority governed with 31 seats to 29, he relentlessly made the Communists and Socialist pay. And now they are getting back at him.

However, before the birth of the DC and PC grand alliance, it had to overcome also another stumbling block. That of the San Marino community dispersed overseas between New York and Detroit. A little more than 100 votes, but enough to upset percentages and seats in the next elections. Obviously, the Titano citizens living in the United States are strongly influenced by the charm of Ronald Reagan, and like him do not love the PC. Thus, DC Secretary Gabriele Gatti, before signing the agreement with the Communists, wanted to fly to the "States" to get their benediction also. It is said that he had to sweat a lot to get it. The San Marino people in America were more concerned about the PC than about the program government.

As reported by the DC secretary, "In their view, the Communists continue to have a direct line to the USSR, dine with Al-Qadhdhafi, and--to the old people--still eat children." However, in the end they let themselves be persuaded, "when he explained to them that there were really no alternatives."

It is the Socialists who are now thinking about the alternative. After having been convinced for weeks that the PC was bluffing, they are now infuriated. Up to the end, they had tried to restrain the Communists from the big jump. And now they are aiming at the 1988 elections. They are saying: "In a year and a half we will crush them, and then it will be the PC that will have to come to terms."

9920

CSO: 3528/177

LAST PCI HELD IN ROMAGNA REPLACED BY TRI-PARTY COALITION

Rome LA REPUBBLICA in Italian 16 Jul 86 p 5

[Article by Domenico del Prete]

[Text] It happened in Forli: it means farewell to one-party government. The election of a PCI-PSI-PRI coalition slate by the citizens of Forli means that all Romagna will be governed by a 3-party coalition: the PCI's minority rule will be diluted Socialist-communists and Republicans. Within a few months, the local governments in Cesena, the Province, and, as of Monday, Forli, have changed color, And their example may well spread the heretical contagion as far as Emilia and Bologna. It is only natural for the PCI, at this point, to remember a historic gathering in 1981 that spawned the "democratic and progressive juntas," with the blessing of Alessandro Natta himself.

The Socialists and Republicans, though, were a bit more charey, and, after months of quarrels and recriminations, have patched it up. As of now, they swear to march together and are stressing the "reformist turnabout swiftly approaching the Adriatic."

The DC, on the contrary, is furiously angry. "The lay parties and the Socialists have sold their souls for a row of city-council seats," was the kindest comment emanating from DC headquarters, which has announced a national conference on the Romagna heresy, to rejoice in the presence of hitherto unnamed DC bigwigs, perhaps including DC Secretary Ciriaco De Mita himself.

Romagna's final turnabout was signed and sealed night before last by Forli's city council meeting, where communist alderman Giorgio Zanniboni announced the death of one-party rule (with outside support from the Republicans) and the birth of three-party rule.

That single act marked the end of a long and tumultuous political battle. Consigned to the garret were the minority communist juntas, even as the three parties were pledging action, beginning in September, to look into the health of all the "atypical juntas in all Adriatic cities, large and small." In other words, that

the proposed tripartite formula could soon spread throughout (and beyond) the borders of Romagna.

The whole story began immediately after the local elections on 12 May of last year. The PSI was thriving in Cesena, the PRI was going great guns in Forli (where it was already in the junta), and the PCI was hanging on for dear life. None of the three parties felt that the situation called for rejoicing. And the consequences were instantly apparent. The left-wing juntas were unceremoniously declared dead and buried. The PCI found itself steering a course all by itself in truly treacherous seas.

It is a minority everywhere (with the exception of Forli, where it can boast of 15 out of 30 city councilmen), and the PSI, hot on its heels, is steadily gaining ground. That was the beginning of a menths-long stretch of pointless and barren squabbles that led nowhere except to exhaustion. The PRI "opened" in Cesena, but its provincial secretary, Denis Ugolini was scathingly chastized by the MPs from Romagna, led by the PRI's senate party whip, Libero Gualtieri, whose prime concern was to shield Romagna against "arrival of a signal contradicting the five-party strategy. Even the PSI was throwing tantrums. Flexing its "key position" biceps, it laid down harsh conditions for its support.

The "turnabout" came from Cesena early last April, when the provincial congress met. Despite the party's parliamentary contingent's repeated cries of "no, no, a thousand times no!" whenever the notion of a leftist alliance was bruited, the offer of a junta with the PCI and PSI passed, with the blessing of Giovanni Spadolini.

Since then, it has been downhill all the way. At Cesena, a three-party junta headed by a Republican (physical education instructor Piero Gallina) carried the day. The same coalition won a majority on the floor of the Forli assembly (headed by Socialist A; essandro Guidi). Monday would bring the final act of the Forli communal council, which confirmed Communist Mayor Giorgio Zanniboni for another term.

Now all of Romagna is tricolored (Ravenne has long been governed by PCI, PSI, PSDI, and PRI). What scares the DC right now is the likelihood of the experiment's spreading into Emilia, especially into the regional council at Bologna.

The most immediate threat to the DC looms in the capital. The PCI junta that currently runs Palazzo d'Accursio is engaged right now in a very tough bout of arm-wrestling with its Socialist ex-cousins over approval of the master plan and the budget. If it doesn't win, it will be in imminent danger of a major crisis. All is not lost—yet—Republicans and Social Democrats are already hurrying to the rescue, and have already announced that they will vote for it. Will they make it a "technical" vote, or will they join with the PSI to "seek out other avenues"? "I hate to say so," is the pugnacious

response of DC Regiona! Secretary Pier Luigi Castagnetti, "but the PRI has demonstrated, in recent months, that it is suffering from a pronounced case of infatuation with the Communists. By so doing, instead of isolating the PC and constructing some alternative to Communist hegemony, it is still extending it the hand of charity."

6182

CSO: 3528/181

FORDE SEES POSSIBLE NONSOCIALIST BID TO REGAIN POWER IN FALL

Oslo AFTENPOSTEN in Norwegian 5 Jul 86 p 3

[Article by Morten Malmo: "No Wage Increases in 1987"]

[Excerpts] Preferably no wage increases in 1987.

Strong emphasis on in-home care and in-home nursing care.

Most difficult of all may be holding unemployment at 30,000.

Banks are very competitive with respect to ball-point pens, but not consumer interest rates.

There probably will not be a fall election until 1987. The Christian People's Party and the Center Party act like giddy spring calves that have just been let out of the stall.

These are the summer thoughts of Einar Forde, deputy Labor Party chairman as well as parliamentary leader. He was among those sceptical of the government change, but now feels the government has done well.

#### Shows Muscles

On a smooth rock along the shore of Sognefjord, Forde reflected on the possible consequences of this year's wage settlement on the relationship between the Labor Party and the Norwegian Federation of Labor (LO). He did not think there would be any major changes. The Labor Party and LO have a common goal: Both want to gain a stronger foothold among youth and certain occupational groups. Forde admitted, however, that their strong ties create problems for the party as well as LO. Forde was pragmatic about the collective union membership in the party, but felt that the cooperation between the union and the party must be continued. This is his explanation of why:

"The Willoch government was a strong government. It combined political power, private economic power and media power. We saw

this in the 1985 election. It has to do with power. Yes, the cooperation between the Labor Party and LO represents the labor movement's muscles."

### Promises

Despite a more strained economy, Forde felt that the reforms must be continued. The government would work to fulfill what the party guarantied voters in the 1985 election campaign.

"With the growing number of older persons, the care of the aged is back to the 1977 level. It is on this point that I fault the Willoch government the most. We now have to concentrate on homes for the aged, homes for the sick, in-home care and in-home nursing care, perhaps primarily the latter two, but we are fooling ourselves if we stop developing institutional facilities for the aged because the over 90 group is rapidly growing," said Forde.

#### Taxes and Income

"In order to provide sufficient public funds in important areas, private consumption must be curtailed. We cannot continue to "starve" government budgets while private consumption keeps soaring," said Forde and continued: "We cannot avoid unpopular measures in 1987. This year's wage settlement was too costly. Next year's settlement should preferably result in no wage increases whatsoever. I do not favor a wage freeze, but an understanding with LO concerning necessary measures. Furthermore, the level of taxation will undoubtedly go up, but hardly to the point of a general tax increase. It is important to expand the real tax base."

Einar Forde did not attach much importance to polls showing that the Labor Party in government position has lost 1 in 10 voters in just 8 weeks. He believed that more Labor Party voters now say they are undecided about their vote, while the Conservative Party mobilizes its reserves.

The Labor Party parliamentary leader was among those sceptical of the Labor Party taking over the government last May. Personally he felt that things have gone better for the Labor Party government than he had expected, although Forde was also aware of some minor surface problems.

"Our gain means a weakened nonsocialist cooperation. The middle parties have been set free of the Conservative Party. The Conservative Party is busy cultivating its own qualities."

#### 1987 Fall Election?

Did he think there would be a fall election in 1986? Actually not. He believed there would be a parliamentary election following the local elections next fall.

"Should the nonsocialists opt for an election this fall, it would be sheer luck if it came off well. Chances of something going wrong are considerable. A nonsocialist government at this time would create a great deal of frustration within the old government parties. Just look at the Christian People's Party and the Center Party in the weeks following the change of government; they have acted like giddy spring calves that have just been let out of the stall. Imagine the uproar if they had to return to the stall.

"Furthermore, the three parties have not solved their problem with the Progressive Party. This is where the barrier lies. Looking at the political situation, there is nothing to indicate a change at this time. On the other hand: If the parliamentary nonsocialist majority wants a change, it will come," said Forde, who still visualizes a government that includes the Conservative Party as the only alternative. A center government is but a daydream, according to Forde.

"A possible government coalition between the Labor Party and the Center Party, for example, lies in the distant future. If such a coalition were proclaimed today, I believe even Labor Party voters would react negatively," Einar Forde pointed out.

8952

CSO: 3639/132

PAPER COMMENTS ON POLL SURVEYING MIDDLE PARTY VOTERS' VIEWS

Oslo AFTENPOSTEN in Norwegian 27 Jun 86 p 2

## [Editorial]

[Text] A poll conducted by Scan-Fact for VERDENS GANG shows that the initial uncertainty among middle part voters after the change of government has been replaced by certainty; they want a new nonsocialist government. They want it soon, and they want the coalition to include the Conservative Party; they do not want the Center Party and the Christian People's Party to try it alone. These attitudes have strengthened considerably in a surprisingly short time and actually represent a profound change in Norwegian politics.

The change lies in the fact that nonsocialist voters today view their parties as part of a regular government alternative, a natural coalition that will assume government responsibility when in a position to do so. This is relatively new. The period in which the Labor Party was the only dominant party in Norwegian politics lasted so long that nonsocialist leaders and voters were forced into a kind of permanent opposition role; they thought like the opposition. They approached elections with a limited aim, hoping to win mandates, not power.

Some of this has lasted a long time. Not so much for the Conservative Party, whih gradually equaled the Labor Party in voter support and thus naturally developed government ambitions. But the middle parties always returned to the sidelines in a short time. The parties continued to think in terms of "profile" and "positioning." Having government responsibility was more troublesome than not having it. Much of the debate within the two parties still centers on this issue. Party youth organizations fervently maintain that the burden of belonging to a big coalition with real power is unbearable.

However, as the Scan-Fact poll shows, these troubles are not shared by the parties' voters. First of all, they reject the idea

that the Labor Party will continue to govern with a nonsocialist majority in Parliament. Secondly, they reject the idea of any form of government coalition with the Labor Party. Lastly, they reject the idea that the middle parties alone constitute a credible government alternative. What they want is what they have already voted for, the Christian People's Party and the Center Party as partners in a coalition government with the Conservative Party.

Voters' growing appetite for government cannot help but affect—and narrow down—the party leaders' possible choices with respect to an election in this situation. Backed by impatient voters, it is not easy to indefinitely postpone the overthrow of the Harlem Brundtland government. It will also be more difficult to support parliamentary Labor Party proposals unacceptable to the Conservative Party. With the growing demand for a new nonsocialist government, there will also be a growing demand for nonsocialist policies.

8952 CSO; 3639/132 POLITICAL

# OFFICIALS CHARGE LABOR PARTY POLITICIZING CIVIL SERVICE

Oslo AFTENPOSTEN in Norwegian 5 Jul 86 p 3

[Article by Lars Helbberg: "Reliance on Power Feared in Labor Party Government"]

[Excerpts] Central government officials and civil servants are concerned about what they view as politicizing the civil service. "After a few weeks of Labor Party government, we are already seeing the contours of a new power elite," it was pointed out to AFTENPOSTEN. Our sources feel that the government party has introduced an entirely new practice by moving prominent government officials and civil servants out of the administration into political posts.

"This," they feel, "will create a completely new government practice. The problem could be magnified in an unstable parliamentary situation, in which there might be a shift back and forth between political and civil service posts. In this event, hardly anybody would have a perspective on who sits on which side, and in what capacity."

Top Posts

"The following transfers from central government to top political posts in connection with the change of government are particularly interesting:

Administrative Director Arne Oien has become the new Minister of Oil and Energy.

Deputy Director of the Ministry of Finance Torstein Moland is now an undersecretary to the prime minister.

Holding a similar post is Eldrid Nordbo, who prior to the change of government headed the Ministry of Municipal Affairs and Labor.

At one time Minister of Commerce and later Deputy Director of the Ministry of Consumer Affairs and Administration, Kari Gjesteby, has been appointed Ministry of Foreign Affairs undersecretary. The head of the same ministry, Karin Stoltenberg, has been appointed Ministry of Commerce undersecretary.

Bjorn Skogstad Aamo, District Development Fund director, has been appointed Ministry of Finance and Customs undersecretary.

Administrative Director Christian Hambro has been transferred to the Ministry of Justice and Police as undersecretary."

Stahl's Example

There is only one similar example from the nonsocialist government period, namely that of then Labor Director Kjell Stahl serving as acting undersecretary, a post he had left a short time before. The Stahl phenomenon was viewed as unique and risky.

New Pattern

"In short," it was pointed out to AFTENPOSTEN, "we are faced with something that resembles a new government pattern. Few have any objection to civil servants making a contribution to politics. However," it is being stressed in wide circles, "we are dealing with a risky practice which calls for clarification in principle."

8952

CSO: 3639/132

PORTUGAL

PRD'S POSITION IN POLITICAL SPECTRUM ANALYZED

Lisbon DIARIO DE NOTICIAS in Portuguese 22 Jul 86 p 6

[Text] Life has not been easy for the PRD in this, its first year of existence, commemorated a few days ago, despite the good fortune from which its electorate benefited when it was still taking its first steps on the political scene. Announced several years in advance, capitalizing on the discontentment created by the other parties, it has ended up stabilizing itself in the midst of some hesitation and inexperience with regard to the organizational schemes of which party life is composed. The results obtained reflect precisely that initial situation: It has catalyzed hopes and diverse efforts, possibly more than its early actions would have allowed, and it did not know of, or did not take the time to take advantage of, its initial "state of grace." Currently, it finds itself in the position of having to frequently dispute those who predict its decline, something which in politics does not usually work to one's advantage, even if one is correct.

In light of the events that have since taken place, one can now understand the reluctance showed by some of those closest to the former president of the Republic with regard to the opportunity of formalizing a party at the time the PRD appeared. It is true that the unexpected success of the 6th of October seemed to backfire against the most hesitant, and even gave the opportunity for some, taking power through the back door which the facts showed to be merely a stroke of luck, to go overboard with statements somewhat removed from reality But then the autarchic elections arrived and the lack of structure became immediately apparent, leaving in the open the suspicion, which since that time has never left, that the PRD is more a parliamentary group than an actual party. And as if that were not enough, the presidential elections then came to put Eanes' lucky star to the test, and this was perhaps the biggest disaster that the party has faced.

With the balance sheet drawn up, then, one would be wrong to conclude that Eanes' party, as it is generally called even in spite of the trial in progress, apparently badly run, loyal to the former president, has spent itself in this cycle of rise and fall that the election graph presents. It is not, in fact of for nothing that they obtained 18 percent of the electorate in a situation where, there not being any party with an absolute majority, the PRD is called upon to play a decisive role in the parliamentary arena. The polls may predict difficult times ahead, but as long as the legislature continues along in its normal rhythm, the reformists dispose of all the advantages that the

political order and society, in particular the mass media, can offer them as the third Portuguese party. And it is truly worthwhile, the party has found, in this area, to manage its resources, not denying in its actions that quality which the elections have bestowed upon it. And if the attitudes with which some of its leaders present themselves, as being on the verge of obtaining a majority that will permit them to soon come into power, are out of place because they are absurd, neither are the predictions correct of those who consider them on the verge of a ruin that has only been stayed by the amount of time remaining until the next elections.

But the situation has changed and the dangers have increased. The PS, principal victim of the reformists' appearance, no longer appears to be ready to permit a second defeat like that of October, having committed itself, on the contrary, to a strategy that, if successful, would be equivalent to reducing the PRD to a force considerably less than that which it currently holds. On the other side, the PSD, also playing the same strategy of bipolarization, would only be willing to spare the reformists for a price that could end up carrying a cost much higher than its real benefits. It is in this context that the luck of the PRD is being tested. And it will be so even more, the more distant that key to its initial success, the leadership of Eanes while he was president of the Republic.

Until now, no political element has yet arisen to revive the doctrine of playing upon the inabilities of the other parties. Now, if this worked while the PRD was not yet an accepted part of the system, it is doubtful that it can continue to work at this time, especially when its principal adversaries present themselves in a manner significantly different from that of a year ago. Everything depends, in sum, on Eanes' entrance into the picture. Even if because, after that, the reformists will then have no other card to play except those they find, like any of the other parties, in day-to-day political life.

13026/8918 CSO: 3542/134 POLITICAL

DAMS SEEN AS OPENING NEW ERA IN RELATIONS WITH SYRIA, IRAQ

Istanbul MILLIYET in Turkish 19 Jun 86 p 6

["Telex" column by Teoman Erel: "New Era with Syria"]

[Text] The completion of the work on the body of the Karakaya Dam on the Euphrates and the beginning of the operation "to collect water" by the closing of the gates means the turning of a new page from a standpoint of diplomacy and security.

Syria and Iraq now know that the issue can no longer be dismissed as a bluff.

If Turkey wishes it can cut off the water of Euphrates for a few years on the justified pretext of "filling the Karakaya Dam." This is a new situation.

We recall an unfortunate bluff that was made several years ago. The leader of the rightist party had appointed his intraparty rival who had a diplomatic background to the Ministry of Energy—perhaps to wear him down. That Minister of Energy got angry during a bargaining session with Iraq over petroleum and said: "We can cut off the waters of the Tigris and the Euphrates."

When the prime minister of the time heard these remarks he laughed and asked:

"Where is our man supposed to keep all that water? Is he going to keep it in his pocket?"

If Turkey issues a similar warning today, nobody can laugh. The Karakaya Dam is complete, and the Ataturk Dam is on its way to completion.

Just as the Kirkuk-Iskenderun oil pipeline created new conditions and a new environment in our relations with our southern neighbors, the reining of the Euphrates today and the Tigris tomorrow introduces much more significant changes in foreign policy.

We asked one official:

"Has the Euphrates been completely cut off? Will not any water go to Syria?"

He responded: "No. Some water will go to Syria."

"How is the amount of water to pass through determined? Is there an agreement with Syria?"

"There is no agreement. Turkey determined the amount of water to pass through on its own. We will let that amount to pass through, and we will keep the rest to fill the Karakaya Dam."

"why was there not any agreement?"

"They want to show their needs higher than they really are. They turned down our proposal to go and examine their needs and in return allow their technicians to come and study our issues. So we went ahead and made our own assessments."

We asked another official who is related to security issues:

"Do PKK [Kurdistan Workers' Party] guerrillas find as much support from bases in Syria as they used to in the past?"

"No, they do not. The visit of the Syrian Prime Minister to our country, the talks that were held with him and certain other developments may have had an effect on the situation. There are indications that not as much support is coming from bases to the south of our borders as it used to in the past."

"For example?"

"Ine material on those captured dead or alive are old; they are not being renewed. Furthermore, they no longer have the opportunity to hand over their weapons to the gangs coming from behind and are burying them. In the last few months they made preparations to announce a new front. They apparently issued some communiques overseas. But during an operation at that time we captured many of their people. They were forced to drop the idea of announcing a new front."

On the basis of what was told to us, it appears that the Turkish armed forces, which is considered a "conventional army," found the time to adapt itself to a new form of warfare in the region. But we felt that political and technical developments which strengthened Turkey's position vis a vis its southern neighbors have also had an effect on the situation. Iraq which has been weakened by its war with Iran lost its power to block foreign loans for the Southeast Anatolia Project in international markets a long time ago.

Syria, on the other hand, would begin--or even began--to realize after the completion of the Karakaya Dam that it would achieve nothing by causing discomfort to Turkey.

Our hope is that our southern neighbors not feel panicky over the strengthening of Turkey which considers peace an important principle. These new developments will not push Ataturk's Turkey into imperialist ambitions. If our southern neighbors make sincere efforts for long-term friendly relations within the framework of these new conditions, not only "Upper Mesopotamia" but the entire region may enjoy prosperity, peace and happiness. Our neighbors should learn an old saying of our ancestors: "When the neighbor cooks, we get a share."

Storato

(30): 1) 1/117

POLITICAL

#### IMPLICATIONS OF OZAL'S TRIP TO CYPRUS EXAMINED

Istanbul TERCUMAN in Turkish 19 Jun 86 p 4

["Commentary" column by Professor Fahir Armaoglu: "The Story of a Visit"]

[Text] The decision of Prime Minister Turgut Ozal to visit the Turkish Republic of Cyprus after long periods of hesitation and find calculations appears to have caused panic among the Greek Cypriots—so badly that they tried to block this visit by taking the issue to the UN Secretary General.

Even so, however, explaining the Greek Cypriots' position simply as "panic" would, in our opinion, be an incomplete evaluation. The Greek Cypriots and the Greeks will undoubtedly try to vilify Turkey with the clamor they raise while trying to block Ozal's visit. In the dust and smoke that will rise they will thus try to cover up and dispel the environment that developed to their disadvantage when they rejected the 29 March document.

But the complaint filed by the Greek Cypriots to the UN Secretary General has a more sinister motive. In opposing Ozal's visit, the Greek Cypriots want to create the impression that [Greek Prime Minister Andreas] Papandreou has a right to visit this "Greek island" while Ozal does not. Thus the letter of complaint filed by the Greek Cypriot representative at the UN refers to TRNC as the "occupied region of Cyprus." As a result, an impression is created that the island is a "Greek island" and that Turkey has no rights over it. This imperialist attitude by the Greek Cypriots and the Greeks explains why they rejected the 29 March document.

We must state that this visit by Ozal to Cyprus is another indication of the government's "hesitant" and "passive" attitude. Because by not paying the visit on 20 July, which is the anniversary of our Cyprus operation, and paying it long before that, the impact of the visit is softened down so that not much noise is raised. In other words, although the visit of the Prime Minister of Turkey, which is the only country in the world that recognizes TRNC, must be a very natural event, even here the necessary "resolve" is not shown.

Meanwhile, reports published in primarily foreign circles create the impression that this visit is being used as a vehicle to force the Greek Cypriots to accept the 29 March document. Naturally, we cannot know what the role of the Turkish government is in this attitude. The results that will emerge after the visit will show how candidly the government acted on this

issue and how far it managed to remain from "foreign influences." That is when we will understand whether the government treated TRNC as a genuinely independent state.

As always, the United States has once again intervened in this issue and has begun spreading rumors about its "concern" over the visit. What the United States means by "concern" is that it "does not approve" this visit.

9533

CSO: 3554/117

POLITICAL

# CONTROVERSIAL ISLAMIC LEADER INTERVIEWED ON FINANCES, GOALS

Istanbul MILLIYET in Turkish 17 Jun 86 pp 1,13

[Interview with Islamic teacher Adnan Oktar and his "disciples" by correspondent Ayla Ozlu; date and place not given]

[Text] Adnan Hodja [Islamic teacher], the "guide" of young, handsome college students from wealthy families, has stepped up his work taking advantage of the school vacation period while shuttling from court to court in connection with reports published in the press about him.

The products of the efforts to "spread Islam" by tutoring young men and women have grown steadily in number. Stating that so far he has published two books entitled "Evolution" and "How You Were Brainwashed," Adnan Hodja said that he has a third book ready and that he will publish several new books in the coming months. The Hodja also said that he is going to open a large architectural office to expand financing for his work.

Stating that the third book he has written exposes the true nature of Masonism, Adnan Oktar told MILLIYET about his work to spread Islam, how he and his group finance their work and what outcome they expect from their efforts.

Question: You said that you are going to publish a book. How are you going to finance it?

Answer: I will not collect any royalties for this book. The publishers want to publish books like that. They will not pay any royalties, and the book is ready. The publishing house likes it. The publishing house will finance it.

Question: What about the previous books? How were they financed?

Answer: I had an elderly aunt. She died, God have mercy on her soul. She left a plot of land and a house in Yesilkoy. I received 12,450,000 Turkish liras from the sale of those properties. We are using that money for our work.

Question: We know that the plot of land and the house sold for more than that.

Answer: The properties sold for 230 million Turkish liras, but my share was small.

Question: Your aunt died only recently. For how many years have you been carrying on your work? Where did you find money in the past?

Answer: I began my work in 1979. At that time I and other intellectual colleagues took out loans given by the Credit and Dormitories Union to university students. That was such a large sum that when we put all the loans together it exceeded, for example, the salary of a parliamentary deputy. We do not drink, smoke, go sightseeing or gamble. Our families pay for expenses such as food. All of my colleagues are children of wealthy families. Our only expense is educational work.

Question: Could you tell us how you are carrying out your work?

Answer: My colleagues' affection toward each other is very strong. We miss each other if we do not see each other for even a single day. Generally, we meet in the mosque. We also carry out disciplined and orderly work in homes. We file our work. Since everyone is wealthy we have large libraries in all homes.

Question: How will you insure the spread of this work to larger groups?

Answer: I am trying to form a selected group of brilliant individuals. Then we can truly influence our surroundings.

Question: Will financing become more difficult as the movement grows?

Answer: God has been creating suitable means so that our work will not be blocked. First the loans and then my aunt's inheritance. Now we are opening an architectural office. Our colleagues include college graduates, architects and a construction engineer. Some of their fathers are well-known architects. I expect that we will have plenty of business. I hope that we will make a lot of money. Since we will not waste this money in night clubs, we will spend it on our work.

Question: Are you planning to do your military service while this work goes on?

Answer: Of course, why should I not go?

Question: You are a 30-year-old student. When will you decide on your military service?

Answer: Like every Turkish young man, I would like to do my military service. However, by nature I am a very sensitive person who is affected quickly by events around me. I am easily hurt and depressed. This condition may deteriorate depending on circumstances. A person can become even more depressed. My health must improve and my excessive emotionalism must decline in order for me to go to the army.

Question: Your decision to turn to Islam and your work to spread Islam does not come from your family. What were the primary factors that mady you take this course?

Answer: People think that the head of some religious order turned my world upside down. No. The truth is that there have been so many incidents. My father's death shook my sensitive soul like a storm. I felt like I lost a part of myself. I was strongly affected. My father died in 1977. The atmosphere of anarchy that prevailed at that time also helped my religious education.

Question: There are those who describe such work as "reactionarism."

Answer: If there are any persons who can call it "reactionarism" they can only whisper it because they know that we are very cultured and that we are very knowledgeable in philosophy.

Disciples Talk

Can and Caner are 20 and 19 years old, respectively. They graduated from the private Dost Lycee this year and took the university entrance examinations. There is an important characteristic that separates them from other youth of their age: Both of them are "disciples" of Adnan Hodja whose name has been frequently mentioned in the last few weeks. Can and Caner, who are known as Muhammed and Osman hodjas in the group, told us about their work, their lives and the reaction of their environment.

Question: Why are all the youth around Adnan Hodja changing their real names?

Answer: The practice of changing names existed at the time of our Prophet. He, too, changed his name. This issue is also recorded in the legends about the Prophet. We know that the Prophet sat children on his lap and asked them their names and that he changed their names if he did not like them. Moreover, the Prophet has instructed: "Name your sons after prophets, or give them simple names." When someone addresses me as "Muhammed," I feel inclined to treat him more gently. This gives seriousness to a person.

Question: There were several articles in the press about Adnan Hodja and his disciples. What was the reaction of the families? Was anyone beaten?

Answer: Yes, apparently many people were beaten. There have been people who have gone that far. However, such problems and oppression were also encountered at the time of our Prophet. They put up with much worse problems.

Question: How do the families view your position and Adnan Hod ja?

Answer: Naturally they are not very sympathetic. They are mostly opposed to it. They phone very frequently.

Question: Did you have the same problems in your home?

Answer: No, because I live with my grandmother. My mother and father are in Switzerland. They saw the article in the magazine NOKTA only recently. They thought that I and a few friends were involved in an Islamic movement. They were unaware of the proportions of the issue. They did not think that the movement was so big.

Question: Why did you join this movement? Was it because of problems at home or a vacuum within yourself?

Answer: I have heard such things. In fact, the image portrayed in recent days is along those lines. It is widely believed that the individual is in the midst of a vacuum and that he tries Adnan Hodja's community for a while to solve his problems. They make it appear as if individuals do not have anything to do. If that was the case, the individuals joining us would all be weak; they would not be able to make any sacrifices.

9538

CSO: 3554/110

SOCIAL

RESULTS OF POLL ON YOUTH ATTITUDES IN PERSONAL, SOCIAL LIFE

Athens TAKHYDROMOS in Greek 29 May-5 Jun 86 pp 36-38

/Article by Ath. Kh. Papandropoulos: "A Great Survey in Greece: Greek Youth Today and What They Believe About: Religion and Family; Professional Prospects; the Home and the Position of Women; and Interpersonal Relations"

/Text/ In what values do Greek youth believe? How do they behave? How do they enjoy themselves? What stands do they take on the economy, society and politics? These vital questions preoccupy every young person as well as every parent. For today's youth will be the active citizens of tomorrow and the persons who will prepare the generation of the day after tomorrow. In other words, today's youth, with their attitudes, values and "credos," give us, the middle agers, an important foretaste of the quality of society that we will have in 20 years and, with a little imagination, make us see through the keyhole the Greece of 2020 which will be the Greece of our grandchildren.

Yet, we must recognize that our society is disoriented. Not in Greece alone, however. The modern world displays a propensity for constant tension. Social classes, generations and age groups find themselves in permanent opposition, in the framework of which we all live together yet apart. Inevitably, then, loneliness becomes society's major problem that when there is neither contact nor communication. Everyone is everyone else's enemy and ultimately, thanks to psychoanalysis, many persons become their own enemies.

"In our societies," the French psychology professor Gilbert Rapaille used to tell me, "no one wants responsibilities. To be a leader or boss is tantamount to voluntary neutralization. Thus we are becoming 'customers' of social organization and turning into dependents of every kind of bureaucracies and other monopolies. The search for accommodation and security strips us of all the vigor of autonomy and leads into social fainting... It is essential, then, for us to listen to the future, to the youth. It is imperative to listen to their language. Let us refuse to become lost before the void of the future..."

Indeed, the French sociologist is not wrong. The concept of "listening" is one of the most important in psychology and perhaps the most important of all communication concepts between human beings. The child knows that it is alive when the parents listen to it when it cries and attend to the needs that it expresses. The same holds true for youth. No matter how much they differentiate

themselves from the past, and given that they represent the future, they still want their voice to be heard. Otherwise, they not only raise it but also turn it into catastrophic furor. We must, therefore, listen to the youth. Besides, that is the purpose of this great survey by TAKHYDROMOS, which will be published in three parts and is based on an important project by the National Center for Social Research /EKKE/. With Kh. Kelperis, A. Mourikis, Y. Myrizakis, Th. Paradellis, O. Gardikis and A. Teperoglou as researchers, this project was done in 1983-84 by EKKE at the request of the Youth Underministry. It surveyed a broad statistical sample of 1,200 young persons aged 15 to 24.

What Values Do Greek Youth Have?

As strange as it may seem to some, friendship and professional career play important roles in the life of today's youth in Greece. This holds true for both males and females. In addition, for a noteworthy proportion of adolescents (55 percent on the average) their studies play a big role in their lives and occupy a chief poisiton on the scale of their values.

A majority of youth (more than 60 percent) attribute great importance to the existence of free time and to hobbies (66 percent on the average) and to money (61 percent on the average). Furthermore, political and social activity is considered important by females (65 percent on the average). Such activity appears less interesting to males, especially adolescent ones.

Religion, on the other hand, is of relatively little importance to older youth (an average of 58 percent consider it insignificant to their lives), while almost half of younger youth consider it significant.

A rather small proportion of youth (one-third of older males) is indifferent about having families, while the majority consider the family as an important or very important part of life. Finally, older youth put emphasis on the stable sentimental bond.

The Place of Women

The time when the perception of women will change radically in Greece is not far off. Thus, if there is one striking and revealing finding in the EKKE survey, it is not so much the low percentage of females who agree that "a woman's place is in the home" or do not agree that "household work must be shared." On the contrary, what stands out is the corresponding percentage of males, who indeed show no significant differences from one age group to another. In other words, 53 percent of males aged 15 to 19 "vote" that a woman's place is more in the work place than in the home. In addition, 78.6 percent believe that women must have the same rights as men, and 572. percent hold that two sexes must share household work.

To the degree that religion is practiced, it does not seem to attract the new Greek generation. To the question, therefore, of "how often do they go to church," most youth of both sexes replied that they go but rarely to the "house of God." Furthermore, 19 to 27 percent never go to church, a fact that will surely trouble the church leadership.

#### House and Automobile

Let us not fool ourselves. To the degree that apartment and automobile constitute dominant values in modern Greek material life, their acquisition could certainly not be something to which youth are indifferent. In a wider same the acquisition of a home, the improvement of the home that one already has and the purchase of a car are the dreams of 35 percent of our youth. In addition, 18 percent of males aged 15 to 24 would like to have their own business and to make investments but no more than 7 percent of the females in that age group have the same desire. We could consequently draw the more general conclusion that of all the youth aged 15 to 24, scarcely 10 percent would like to pursue an independent professional career if they had the necessary money.

As for youth's notion of the essential means by which a person makes money, education and willingness to work hard are considered the most important. Conversely, acquaintances and "pull" are not considered keys to a successful life. As one can well understand, the responses to the above questions are particularly significant because they reveal a serious gap in Greece between the reality presented as dominant by certain intellectuals and the truth that leaps out of the numbers. Even worse, we would say, is the important gap between the ideology cultivated among the youth by certain politicians and the higher scale of values of our youth.

It is satisfying that an overwhelming majority of Greek youth declare that they have good relations with both their parents (the percentages fluctuate between 69 and 91 percent). Also noteworthy is the fact that in the 15-to-24 age group, more males have good relations with their fathers and mothers than do females. The difference is statistically significant particularly at a younger age, probably because Greek parents are stricter with girls than with boys.

On the other hand, it seems that the behavior of Greek parents toward their children is changing. As a result, the intrafamily climate is being transformed.

More specifically, only 11.2 percent of the males and 10.4 percent of the females in the 20-to-24 age group consider their fathers to be strict with them as far as their studies are concerned, while 47 percent and 45.8 percent respectively feel that they are flexible. As far as amusements are concerned, it seems that males get greater freedom, since only 6.7 percent consider their fathers to be strict with them in that area. That figure reaches 34 percent among females. Here too, however, flexibility prevails for both females (43.8 percent) and males (52.1 percent).

Furthermore, a large percentage of Greek parents is indifferent toward their children's convictions. This shows that democracy is prevailing in the Greek household more and more. Finally, it is parents on whom youth want to rely principlly for financial and moral support in critical or difficult periods of their lives. Friends come next, while the smallest number of youth would resort to relatives. This behavior plainly shows that the family bond is still rather strong in Greece. To the degree, however, that youth's behavior is becoming independent, this bond may begin to weaken. Something like that, though, seems rather difficult in the current period of high unemployment.

# Interpersonal Relations

Youth in the 15-to-19 age group consider sincerity, love, warmth and trust to be very important elements in their interpersonal relations, while the same criteria prevail among those in the 20-to-24 age group as well. Next come intelligence, good appearance, mutual help, common hobbies and a similar level of education. Conversely, it is fortunate that youth consider identical political views, money, the same age and membership in the same club, party, etc. to be unimportant factors in their interpersonal relations.

On the other hand, according to international statistics at our disposal, the sociability of Greek youth is the highest in West Europe. Thus an overwhelming majority of youth find themselves in an intensely socialized group of companions according to the EKKE researchers. Groups of young persons usually consists of 6 to 10 members. In other words, they are rather large. Males meet with their group of friends more frequently than do females, and on the average about 60 percent of them meet with that group every day. Conversely, females are in the habit of seeing their group of friends only one to three times a week. Thus, we can say conclusively that certain traditional values with moral content play a large role in Greek youth's interpersonal relations. Under today's circumstances we deem this an absolutely positive fact, for woe to societies that lose their moral foundations.

TABLE 1

		15-19 ETON 2		20-24 ETON 3		
		N 356 AFOPIA 4	N-328 KOPITZIAS	N=117 AFOPIA 4	N: 144 KOPITZIAS 5	
χρήμα	6	21,3	19.8	23,9	27.8	
σπουδές, μόρφωση θέληση, επιμονή, εργατικ δυναμικότητα	7 ότητα.	19.7	21,3 14.9	12,0 17,9	18.1	
θάρρος, αυτοπεποίθηση	8	7.9	10.1	11,1	14,6	
εξυπνάδα, να εκμεταλλεύεσαι 9 τις ευκαιρίες		8.1	10.4	7,7	9,7	
γνωριμίες, μέσον	10	4.8	6.7	6.0	7,6	
άλλο*	11	21,2	16,4	19,7	10,5	
χωρίς απάντηση	12	1,0	0,4	1,7	0,6	
Σύνολο	13	100,0	100,0	100,0	100,0	

\* τύχη, ηθικές αρχές, μυαλό, πνευματικές ικανότητες, συγκροτημένη προσωπικότητα, φιλοδοξία, σωστή επιλογή επαγγέλματος, θοήθεια από άλλους 7.4

#### Key:

- 1. What do you think that it is needed for one to succeed in life today?
- 2. 15-19 year-olds
- 3. 20-24 year-olds
- 4. Males
- 5. Females
- 6. Money

- 7. Studies, education, will-power, patiences, industriousness, energy
- 8. Courage, slef-confidence
- 9. Cleverness, taking advantage of one's opportunities
- 10. Acquaintances, pull
- 11. Other
- 12. No response
- 13. Total
- 14. Luck, moral principles, brains, intellectual abilities, integrated personality, ambition, correct choice of profession, help from others

AFOPIA 20-24 2	NOAY 3 IHMANTIKO	ΣHMANTIKO 4	AIHMANTO 5
τη φιλία 6	70,0	29,1	0,9
το χρήμα 7	23,1	64,1	12,8
ένα σταθερό συναισθηματικό δεσμό	8 31,6	53,0	15,4
την επαγγελματική σταδιοδρομία 9	68.3	27.4	4,3
τις σπουδές 10	35,1	50.4	14,5
την πολιτική (ή κοινωνική δράση) 11	12.0	57.3	30,7
τη δημιουργία οικογένειας 12	30,8	36,7	32.5
τον ελεύθερο χρόνο και τα χόμπυ 1	3 23,1	68.4	8,5
τις κοινωνικές σχέσεις 14	27,4	65,8	6.8
τη θρησκεία 15	4,3	34,2	61,5
KOPITEIA 20-24 16	TOAY 3	EHMANTIKO 4	AZHMANTO 5
τη φιλία 6	64.6	31.9	3.5
το χρήμα 7	27.8	61.8	10.4
ένα σταθερό συναισθηματικό δεσμό	0	38.2	6,3
την επαγγελματική σταδιοδρομία	66.0	29.2	4.8
τις σπουδές 10	45.1	38.2	16,7
την πολιτική (ή κοινωνική δράση)	17.4	66.0	16.6
τη δημιουργία οικογένειας 12	37.5	46.5	16,0
τον ελεύθερο χρόνο και τα χόμπυ	3 30.6	- 63.2	6.2
τις κοινωνικές σχέσεις 14	38.9	56.3	2.8
τη θρησκεία 15	12.5	32.6	54.9

#### Key:

- 1. How important do you consider the following in your life today?
- 2. Males 20-24 years
- 3. Very important
- 4. Important
- 5. Unimportant
- 6. Friendship
- 7. Money
- 8. A stable sentimental bond
- 9. A professional career

- 10. Studies
- 11. Political (or social activity)
- 12. Having a family
- 13. Free time and hobbies
- 14. Social relations
- 15. Religion
- 16. Females 20-24 years

TABLE THREE

	15-19	ETON 2	20-24 ETON 2		
	N-356 AFOPIA3	N=328 KOPITZIA 4	N=117 ACOPIA 3	N=144 KOPITZIA	
ταξίδια, εκδρομές 5	14.9	27.7	18.8	26.4	
σπουδές, επιμόρφωση 6	3.9	4,6	4,4	7.6	
δική μου δουλειά, επενδύσεις, αποταμίευση	15,3	6,4	27.5	9.1	
σπίτι, αυτοχίνητο, μηχανάκι 8	44 9	37.5	36.8	41.8	
διβλία, δίσκους, μουσικό δργανο 9	4.3	2.8	4.4	2.2	
ρούχα και άλλα καταναλω- τικά αγαθά 10	2.9	6,8	1,0	2.9	
θα βοηθούσα οικονομικά 11 οικογένεια ή φίλους	7.4	7.2	1.8	6.4	
δεν έχω σκεφτεί 12	2,9	5.5	1.8	-	
άλλο 13	3,5	1.5	3,5	3.6	
Σύνολο 14	100.0	100.0	100.0	100.0	

# Key:

- 1. If you had the necessary money, what would you do first?
- 2. 15-year-old
- 3. Males
- i. Females
- 5. Travel, excursions
- 6. Studies, furthering my education
- 7. My own business, investments, save mone:
- 8. Home, car, motor scooter
- Books, records, musical instrument
- 10. Clothes and other consumer goods
- 11. I would help family or friends financially
- 12. I have not thought about it
- 13. Other
- 14. Total

TABLE FOUR

15-19 ETΩN 4	3 ATOPIA (N = 356)				2 KOPITZIA (N=328)			
	TOAY 5		EHMANTIKO 6		AZHMANTO 7		2YNOAQ 8	
	KOP.2	агор. 3	KOP. 2	АГОР3	KOP2	АГОР.3	KOP.2	AFOP. 3
ευφυία 9	14,4	15.8	69.4	64,8	15,9	19,4	100,0	100,0
ευχάριστο παρουσιαστικό	010,7	8.2	47,4	50,7	41,9	41,1	100,0	100,0
παρόμοιες πολιτικές αντιλήψεις 11	9.8	7.9	29,3	23,1	60.9	69,0	100,0	100,0
υποστήριξη (αλληλεγγύη)] :	63,1	51,9	35,4	42.2	0.9	5,9	100,0	100,0
παρόμοιο μορφωτικό επίπεδο 13	16,8	5,8	56,0	50,7	27,2	42,5	100,0	100,0
αίσθηση του χιούμορ 14	29,4	23,4	53,8	63,8	16.8	12,8	100,0	100.0
παρόμοια κοινωνικο- οικονομική κατάσταση 15	2,4	2,0	25.7	19.8	71,9	78.2	100,0	100,0
ειλικρίνεια 16	84.1	68.2	15,9	31,1		0,5	100,0	100,0
αγάπη, ζεστασιά 17	76,8	46.2	22,6	51,1	0,6	2,3	100,0	100.0
κοινά χόμπυ και διασκεδάσεις, κοινά 18 πολιτιστικά ενδιαφέροντα	24.2	19.4	65,7	60.6	10,1	20,0	100,0	100,0
ίδια ηλικία 19	4.3	4.8	33.6	39,7	62,1	55,5	100,0	100,0
καλή επίδοση στα μαθήματα επαγγελματική επιτυχία 20	2.7	5,1	24.2	23,4	73,1	71,5	100,0	100,0
εμπιστοσύνης πρόσωπο21	78,9	58,2	19,3	40,7	1,8	1,1	100.0	100 0
ανήκουμε στα ίδια σωματεία (συλλόγους, 22 οργανώσεις, κα)	4.1	2.0	21 9	14.6	74,0	83,4	100,0	100,0

# Kev:

- 1. How important do you consider the following elements to be in your friends?
- 2. Females
- 3. Males
- 4. 15-19-year olds
- 5. Very important
- 6. Important
- 7. Unimportant
- 8. Total
- 9. Intelligence
- 10. Pleasing appearance
- 11. Similar political convictions
- 12. Support (mutual help)
- 13. Similar level of education
- 14. Sense of humor

- 15. Similar socioeconomic status
- 16. Sincerity
- 17. Love, warmth
- 18. Common hobbies and amusements, common cultural interests
- 19. Same age
- 20. Good academic record/professional success
- 21. Trustworthy person
- 22. We belong to the same groups (clubs, organizations, etc.)

TABLE FIVE

20-24 ETΩN 4		AFOPIA	N=117) 3	3	<b>ΚΟΡΙΤΣΙΑ (N=117)</b> 2			
	ΠΟΛΥ ΣΗΜΑΝΤΙΚΟ5		IHMANTIKO 6		AZHMANTO7		TYNOA08	
	KOP.	2 AFOP.3	KOP.2	AFOP. 3	KOP. 2	AFOP3	KOP2	AFOP.3
вифија 9	26,1	27.0	63,4	56,5	10,5	16,5	100,0	100,0
ευχάριστο παρουσιαστικό	10 4.9	5,2	43,7	50,9	51,4	43,9	100,0	100,0
παρόμοιες πολιτικές 11 αντιλήψεις	11,3	6,9	38,7	32,8	50.0	50,3	100,0	100,0
υποστήριξη (αλληλεγγύη)	1264,8	58,6	33,1	36,2	2,1	5.2	100,0	100,0
παρόμοιο μορφωτικό επίπεδο 13	20,4	7,8	53.5	44,0	26,1	48.2	100,0	100.0
αίσθηση του χιούμορ 14	28,2	26,7	55.6	58.6	16.2	14,7	100,0	100,0
παρόμοια κοινωνικο- οικονομική κατάσταση 15	4,9	6.0	31,7	19,0	63,4	75,0	100,0	100,0
ειλικρίνεια 16	85.2	69,2	14.8	29,9	-	0.9	100,0	100,0
αγάπη, ζεστασιά 17	71,1	50,4	26,8	43.6	2,1	6.0	100,0	100,0
κοινά χόμπυ και διασκεδάσεις, κοινά πολιτιστικά ενδιαφέροντα	22,5	15,5	62.7	67.2	14,8	17,3	100,0	100,0
ίδια ηλικία 19	3.5	1.7	25,4	32,8	71,1	65,5	100,0	100,0
καλή επίδοση στα 20 μαθήματα επαγγελματική επιτυχία	4,9	4,3	17.6	18,1	77,5	77.6	100,0	100,0
εμπιστοσύνης πρόσωπο 2	76.8	66,4	21,1	31.9	2,1	1,7	100,0	100.0
ανήκουμε στα ίδια 2: σωματεία (συλλόγους, οργανώσεις, κα)	4.3	2.6	19,3	17.6	76,4	79,8	100,0	100,0

Key:

- 1. How important do you consider the following elements to be in your friends?
- 2. Females
- 3. Males
- 4. 20-24-year olds
- 5. Very important
- 6. Important
- 7. Unimportant
- 8. Total
- 9. Intelligence
- 10. Pleasing appearance
- 11. Similar political convictions
- 12. Support (mutual help)

- 13. Similar level of education
- 14. Sense of humor
- 15. Similar socioeconomic status
- 16. Sincerity
- 17. Love, warmth
- 18. Common hobbies and amusements, common cultural interests
- 19. Same age
- 20. Good academic record/professional success
- 21. Trustworthy person
- 22. We belong to the same groups (clubs, organizations, etc.)

12570/12228 CSO: 3521/179 SOCIAL

CHANGES SUGGESTED FOR PROBLEMATIC PENAL CODE ARTICLES

Istanbul TERCUMAN in Turkish 17 Jun 86 p 2

[Article by Professor Sulhi Donmezer: "Articles 168 and 313 of the Turkish Penal Code"]

[Text] When the papers published that we are heading the academic commission assigned by the Ministry of Justice to prepare a new Turkish Penal Code, we received hundreds of letters and telegrams from various segments of our public and particularly from citizens who are serving sentences at correction institutions. Some of these charge that some Penal Code provisions which are generally cause for conviction sometimes produce unjust results and sometimes lead to irrational situations and ask us to correct these problems.

As a senior educator who has tried to serve young men and women in scholarship and law, I would like to respond to each one these petitions, but the magnitude of the work we are trying to carry out does not allow us to do so. At this time we feel freer because the university vacation period is under way, and we will try to express our thoughts at least on those letters and telegrams which pertain to the same issue.

Most of the letters and telegrams we have received pertain to two major issues. One of these is with regard to the imbalances resulting from the implementation of Articles 168 and 313 of the Turkish Penal Code—both of which are designed to serve the same purpose. The other issue concerns the case of persons who are convicted and serve their sentences overseas for smuggling narcotics out of Turkey and who, upon their return to Turkey, are tried and convicted again for exporting narcotics. These persons are thus convicted twice for the same crime, and their prison sentences may exceed 30 years because the sentences served abroad are not counted toward their sentences in Turkey.

In this article we will focus on the first issue.

Article 168

Article 168 of the Turkish Penal Code criminalizes the formation of armed associations or gangs with the purpose of dividing and dismembering Turkey, overthrowing the constitutional order by force, overthrowing the Council of

Ministers, inciting armed insurgency among the people, encouraging the massacre of segments of the public and assassinating the President and prescribes punishment for members of such organizations depending on their status. The acts for which the article prescribes punishment are a subset of crimes against the state and are of the same nature as treason to the motherland and violating the constitutional order.

In practice, if the armed gang in question commits an act that violates the provisions of, say, Article 146, then it is sentenced for violations of Article 146 only, and no separate sentence is handed down for violations of Article 168. By this doctrine, the formation of the gang is considered a type of preparation for the principal offense, and the convicted defendant is sentenced for only the latter offense—that is punishment prescribed by various provisions of Article 146 in our example—because otherwise a transitory offense would be at issue. Since in looking for violations of Article 146, the existence of acts which permit or lead to violations of the Constitution are also sought, sometimes multiple offenses by the defendant are considered as a single offense.

# Article 313

In contrast, Article 313 prescribes punishment for the formation of an association for the purpose of committing a crime under all circumstances. Paragraphs 2 through 4 of the article specify aggravating circumstances. Unlike Article 168 discussed above, Paragraph 1 of Article 313 stipulates that if members of such associations commit offenses which are within the scope of their purposes, they be punished separately for both forming the associations and for committing the offenses. Moreover, according to Article 313, as many sentences must be handed down as there are offenses and cumulative rules must apply. This issue is explicitly stated in Paragraph 1 of the article. In addition, for offenses committed outside the association the sentences are increased by one-third to one-half within the framework of Article 315.

This imbalance between Article 168, which is applicable to offenses of treason against the country and violating the Constitution, and Article 313, which is applicable to offenses committed against public order, is truly explicit and striking. This imbalance is such that, in practice, those who are convicted of treason against the country receive lighter sentences than those convicted for offenses covered by Article 313. This has resulted in the truly abnormal phenomenon of handing down lighter sentences for those who state in their defense: "I participated in the secondary offense of trying to overthrow the state."

What Can Be Done?

The letters we have received complain about this unbalanced results. What can be done?

Firstly, it is essential to add to Article 168 a paragraph which stipulates, as in Article 313, that a separate sentence be handed down for forming an armed gang. If this is not done, then the relevant paragraph must be dropped

from Article 313 which must state explicitly that a transitory offense is also at issue with respect to offenses committed by the association. Secondly, the aggravating circumstances mentioned by Article 315 must be dropped. It must be explained that since the convicted are already exclusively punished for forming associations, increasing their punishment for offenses committed within the scope of the purpose of forming the associations would create a situation of punishing a person twice for the same crime and that this does not conform with justice.

9538

CSO: 3554/110

ECONOMIC

# EMPLOYERS ASSOCIATION OPTIMISTIC ON ECONOMIC TRENDS

Brussels LE SOIR in French 11 Jul 86 p 2

[Article by P.B.: "FEB: Encouraging Factor, Unemployment Among Young Decreasing"]

[Text] When he presented the memorandum on the economic situation for the first months of the year, Mr Tony Vandeputte, director of the FEB [Federation of Belgian Enterprises], made no reference at all to the social dialogue, limiting his statement to the general economic situation in our country which he called "hesitant," in spite of encouraging factors.

Even though the month of May experienced a slowdown due to the strikes, the overall trend is rather favorable given the value of investments which have gone up 16.7 percent during the first three months of the year compared to the corresponding period in 1985.

Industrial production has gone up by 4 percent in spite of a deceleration since March when it was at a level below that achieved in March of last year. However, the strong hike in the consumption of electricity in April seems to be an indication of a recovery for industrial activity.

A 4 percent increase in deliveries of metal products was largely due to the activities of the automobile industry which is responsible, together with light metal products, for a growth in investments of about one-third compared to the previous year. On the other hand, employment has dropped by 1.5 percent, even though it remained stable in the automobile sector and in electrical construction. This drop was felt primarily in the weapons and aeronautics industries.

The steel industry, which experienced a 29 percent decrease in production because of the strike in May, has seen its deliveries to the ECSC countries go up by 9 percent during the first quarter, even though during that period there was a marked decline in exports outside the ECSC. The chemical industry which has maintained itself at a high level, experienced a reduction of turnover due to the overall drop in prices.

The FEB noted positively the evolution of unemployment, which decreased by 9 percent compared to its level at the end of May 1985. In the FEB's opinion, this phenomenon cannot be explained by the elimination from the statistics of

the unemployed over 50 years of age, but by the sizable reduction in the number of young people who are unemployed (minus 13.5 percent).

The trade balance deficit for the January-April period has been reduced from 101.8 billion Belgian francs in 1985 to 16 billion in 1986, which suggests a return toward equilibrium in the near future. Unfortunately, this decline is the result of a drop in product imports (oil) rather than an increase in the volume of our exports. The drop in oil prices has also had an impact on inflation which has reached its lowest level since July 1963.

# Always Competitiveness

The FEB's analysis concludes that our country has entered an economic growth pause, as is the case for our major neighbors. But unlike what is going to happen for our partners, where they will have to wait for a recovery of domestic consumption, it is to be feared that in our country those surpluses will be used for the recovery of our public finances. However, this recovery of demand in our partners' countries could be a good stimulant for our exports on the condition that our competitive position is maintained.

And in this regard, the FEB demonstrated a reserved optimism in the face of the evolution of our labor costs. According to the estimates of the EEC and the OECD, the wage increases, expressed in common currency, are going up faster in our country that in those of our seven trade partners: 7 percent as against 4.8 percent for our competitors in 1985, and 3.3 percent as against 2.6 percent in 1986. This can only lead to a deterioration of our competitive position in spite of the spectacular investment effort achieved during the first months of 1986. That is what causes the FEB to say that "the Belgian enterprises are adapting themselves to a hesitant economic recovery."

8463

CSO: 3619/57

ECONOMIC

ACCORD LIMITS PUBLIC TRANSPORT STRIKES TO 100 DAYS

Rome LA REPUBBLICA in Italian 19 Jul 86 p 29

[Article: by Vittorio Sivo]

[Text] Rome—As of today, life will be different for Italians who rely on public transportation: things will be a whole lot better. For about 100 days a year, trains, planes, urban transport and ferry-boats will not be paralyzed by strikes. Of particular interest, given the season, is the news that the period from 15 July to 5 September each year will be guaranteed strike-free by all transit modes linking the mainland with the islands.

The new factor that makes this sensational turnabout in labor union practices is the new blanket code for self-regulation of transport strikes, signed yesterday at the Transport Ministry by Transport Minister Claudio Signorile and a swarm of union leaders, both confederation and independent. It is a fair estimate that about 1,000 workers will be bound to abide by the new rules; they will apply to railroad workers, streetcar workers, ships' crews, aviation personnel (pilots, flight technicians, flight attendants, ground personnel, and control-tower operators), including aircraft refueling personnel.

On hand for the signing ceremonies yesterday were all the labor organizations representing the sectors concerned.

There are vast differences here, by comparison with the situation up to now. First of all is the fact that this one code covers all, an extremely important fact because it completely involves independent unions which hitherto have been notorious for nuisance strikes that greatly inconvenienced transit users. The truce guarantees are far stronger, and they will run for longer periods. The weakest point in the agreement is the absence of sanctions (aside from the internal sanctions already in effect) for those who break the rules. There is, however, a kind of indirect or deterrent sanction for misbehavior, which provides that unions which call "strike actions in violation of the code may not negotiate with the transit authorities. In practice, that means that they will not be permitted to work at their trade.

Here is a list of the periods during the year when transit strikes are banned:

17 December to 7 January; 10 August to 5 September; holidays and vacation periods, to wit: 27 June to 14 July; 28 July to 3 August; 30 October to 5 November; the five days before and after Easter; the weeks preceding and following Easter; the weeks preceding and following national, European, regional, and general elections. Str Strikes of any description will be immediately called off in case of exceptional events of "particular gravity" or "natural catastrophes."

All strikes must be announced at least 10 days in advance, and the end or suspension of any strike must be announced at least 24 hours in advance (35 hours in advance in the case of scheduled international flights).

Expressly banned are so-called "wildcat" strikes (work stoppages in a single division or production unit). Also banned are concerted strikes affecting several mass transit modes simultaneously, while "essential" connections with the islands (NB. not all 'scheduled" connections with the islands are deemed "essential") will be provided.

As for the freight handlers, in the event of a strike there are guarantees that essential chores, such as transfering live animals, perishable commodities, essential foodstuffs, and medicinal products to alternative means of transportation, will be promptly performed.

Another innovation in yesterday afternoon's agreement consists of a set of commitments from the transport companies. The Transportation minister undertakes to monitor compliance, making certain that transport companies do not in any way seek to take unfair advantage of the truce periods, and pledges to check into the progress toward settlement of all pending labor disputes between 10 June and 10 November of each calendar year. Employers have also agreed to take the initiative in requesting cooling-off periods.

6182

CSO; 3528/191

ECONOMIC PORTUGAL

EXPORT STATISTICS, TRADE BALANCE DETAILS

Lisbon DIARIO DE NOTICIAS in Portuguese 21 Jul 86 p 17

[Text] Portuguese exports grew 2.4 percent in the first 5 months of the year, totaling 415 billion escudos, according to tentative figures released by the National Statistics Institute.

These results lead to the conclusion that, although the figures are only tentative, exports of Portuguese products continue to expand under the goals outlined by the government, which aims for a 4.6 percent increase in volume in 1986.

The Portuguese trade balance registered a deficit of 118.4 billion escudos, 23.7 percent less than that of the same period in 1985, imports having fallen to 533.5 billion escudos, 4.9 percent lower than before.

In U.S. dollars, imports grew 10.4 percent and exports 19.1 percent, leading to a 12 percent fall in the trade deficit.

The deficit with Spain rose to 29.6 billion escudos from 20 billion escudos during the same period last year. If the numbers for Spain had not been taken into account, Portugal would have registered a surplus in trade with the EEC, which would have grown some 30 percent between the 2 periods.

The deficit with the 11 other member states of the EEC totaled 11.9 billion escudos, the largest deficits being registered with Spain (29.6 billion escudos) and Italy (22 billion escudos).

Portuguese trade was 13.3 billion escudos in surplus with the 6 countries of EFTA (European Free Trade Association), the same occurring with the Portuguese speaking African countries (5 billion escudos).

Overall, there has been a decline in the trade surplus with this latter group of countries compared to the first 5 months of 1985 (8.7 billion escudos).

Portugal maintains a sizeable disequilibrium in its trade with OPEC (51 billion escudos), but the reduction in the price of crude oil in the international markets and the decline of the dollar with respect to the escudo have allowed that figure to fall substantially compared to the same period last year (93.7 billion escudos).

For exported products, shoes registered a 51.3 percent increase in sales during the period, totaling 32.6 billion escudos.

Textiles represented 23.9 percent of Portuguese exports, totaling 99.1 billion escudos in foreign sales during the first 5 months of the year, thus constituting Portugal's principal export.

Machines, equipment and electric materials, which are in second place, saw their foreign sales drop 4.7 percent to 47.6 billion escudos during the period.

With regard to imports, there is a decreasing trend in terms of the value of crude oil bought outside the country (a decline of 13.8 percent to 73.9 billion escudos).

13026/8918 CSO: 3542/134 ECONOMI C PORTUGAI

#### BRIEFS

INFLATION STATISTICS—The annual rate of inflation was 14.3 percent at the end of June, 11 percentage points lower than the same month last year, official statistics reveal. INE statistics on changes in the consumer price index—the most important measure of inflation—show that at the end of June inflation registered its lowest annual rate of the year. The following is the annual rate of inflation during the first 6 months of this year: January—18.7 percent; February—17.7 percent; March—16.7 percent; April—15.9 percent; May—14.9 percent; June—14.3 percent. The annual rate of inflation predicted by the government for this year is 12 percent. Between last June and the same month the previous year, prices rose 11.7 percent, as opposed to 20.1 percent during the same period the year before, the INE reports. During the month of June, prices rose 0.3 percent, as opposed to a decline of 0.5 percent the month before. [Text] [Lisbon TEMPO ECONOMICO in Portuguese 18 Jul 86 p 12] 13026/8918

CSO: 3542/134

ECONOMIC

PIG IRON SHORTAGE; LOSS OF IRAN, IRAQ MARKETS REPORTED

Istanbul DUNYA in Turkish 17 Jun 86 p 7

[Report by Ayfer Karatas]

[Text] Evaluating developments in the iron and steel sector in the first 5 months of this year, steel industrialists and exporters stated that Turkey has a pig iron shortfall of 4.5 million metric tons and that as a result overseas demand for exports cannot be met. Expressing concern that a new shortage of construction steel may arise in the coming days, Ekinciler Holding Executive Council President Namik Ekinci said that the demand for exports has grown and that companies have increased their export shipments. He added: "When iron and steel products are exported, domestic demand will increase and a serious shortage of iron and steel products will be experienced in the coming days." Ekinci stated that exports of pig iron must be stopped to relieve the pig iron shortage in the country. Western Marketing and Foreign Trade Corporation Director General Mahir Vural said that the closure of the Iranian and Iraqi markets has upset the iron and steel business and that the sector is in an crisis because of this situation.

Noting that the entry of Spain--which is a major supplier in the world iron and steel markets--into the EEC caused an increase in foreign market prices at the beginning of this year, Ekinci said that Turkish iron and steel products became attractive when world prices rose. He continued:

"Even so however, the first 3 months of the year were stagnant for the sector. Demand for our products began to rise in March. Sales contracts were signed until the end of April and some items were shipped by the end of May. Since the decline of trade with Iran and Iraq, the United States, North African countries, some European countries—mainly Britain, Belgium and FRG—and Far Eastern countries such as China and India have been the primary countries from which we receive orders."

Stating that Turkey's pig iron production capacity is about half of its rolling and drawing mill capacity, Ekinci said:

"Turkey's construction steel production capacity is around 8 million metric tons a year. This is equivalent to 9 million metric tons of pig iron. The country's pig iron production capacity, on the other hand, is only 4.5 million metric tons a year. Only 4 million metric tons of construction steel can be

produced from 4.5 million metric tons of pig iron. This means that we have a shortfall of 4.5 million metric tons of pig iron. There is a strong need for more pig iron in order to continue our exports, to utilize the idle rolling and drawing mill capacity and to meet the demand at home and abroad. However, although the Turkish industrialist needs pig iron for manufacturing, he is also exporting it. The Turkish industrialist is exporting pig iron at \$180 to \$185 a metric ton f.o.b. and importing the same pig iron at \$195 to \$200 a metric ton. In addition to the loss of around \$15 per metric ton in foreign exchange, the ports are worked needlessly and the demand for exports cannot be met mainly because of the shortage of pig iron. Our firm has been turning down contracts out of fear that we will not be able to meet our commitments because of the pig iron shortage."

Stating that more exporters are in the market than is necessary, Ekinci said that those who know the business are competing in the market together with those who do not know the business who are cutting the prices excessively. Noting that his firm most recently exported iron to the United States at \$257.50 a metric ton, Ekinci said that some firms offered to sell the same product for \$240 a metric ton and added: "Because of these price cuts, the United States may impose quotas."

Stating that those who are knowledgeable in the business must stay in the market and that the government must emphasize this in its decisions, Ekinci demanded that the government provide incentives for export-oriented that it lift bureaucratic obstacles investments and hindering investments. Ekinci reported that in the first 5 months of this year his firm realized \$20 million worth of exports, that \$18 million worth of products were shipped, that \$14 million worth of contracts were signed, that talks are under way for an export contract of \$64 million and that the firm's iron and steel product export target for 1986 is \$90 million. Ekinci added that in order to relieve the pig iron shortage his firm is prepared to sell in advance all products to be produced in 1986 to countries with free foreign exchange.

# Western Marketing

Stating that Iran and Iraq make their purchases through their governments and that consequently their orders come in large and uniform quantities, Western Marketing and Foreign Trade Corporation Director General Mahir Vural said that buyers in the alternative markets of the Mediterranean countries are merchants and that the fact that these merchants order in small and different quantities are creating production problems.

On the issue of price cutting, Vural said that some firms may have lower production costs than others, that, consequently, they can offer lower prices for their products and that price cutting is the outcome of a shrinking market. Stating that the reduction in tax rebates for exports has resulted in price increases, Vural demanded that a decision be immediately taken with respect to subsidizing freight charges in maritime shipping. Vural added that the iron and steel sector is in a crisis and that the crisis will continue through the second half of the year.

9588

CSO: 3554/114

ECONOMIC

# GROWING TRADE DEFICIT PROMPTS CONTROLS ON BULGARIAN IMPORTS

Istanbul DUNYA in Turkish 17 Jun 86 p 9

[Text] Ankara—Trade between Turkey and Bulgaria is once again up for review in view of the shift in the trade balance to Turkey's disadvantage. To that end, the Undersecretariat of the Treasury and Foreign Trade will examine all petitions for imports from Bulgaria.

In a "very urgent" memorandum sent to all pertinent organizations, the Undersecretariat of the Treasury and Foreign Trade proclaimed that the undersecretariat's approval is required on all petitions asking for permits for imports from Bulgaria.

According to the said memorandum, all petitions requesting permits for Bulgarian imports will be turned over by the banks to the undersecretariat's Imports Directorate General which will instruct the banks on what action to take.

Export Center Study

A study conducted by the Center for Studies for the Development Exports, points to chronic deficits in trade with Bulgaria.

The study notes that Bulgaria, like other Eastern Bloc countries which trade with free foreign currency, has been cutting back on its imports and trying to buy the goods it needs through barter. The study says: "Imports constitute 83.4 percent of Turkey's trade volume with Bulgaria. On the basis of principles of mutual interest, the export of products in which we have a potential and which Bulgaria imports must be persistently emphasized in meetings of the joint economic commission."

The study states that efforts must be made to export to Bulgaria industrial products which Turkey normally exports and which Bulgaria imports such as bicycles, television sets, vacuum cleaners, refrigerators, and tires for heavy and light vehicles. The report adds:

"If no results are achieved from this course, alternative supplier countries may be sought for major items we import from Bulgaria."

Chronic Deficit

Turkey has steadily run a deficit in its trade with Bulgaria. Since 1976, Turkey's exports to that country have never exceeded \$25 million a year, while imports from Bulgaria exceeded \$120 million in 1980 and 1984.

63

9588

ECONOMIC

WORLD BANK LOAN TO FINANCE EXPORTS OF INVESTMENT GOODS

Istanbul DUNYA in Turkish 17 Jun 86 pp 1,9

[Report by Emine Munyar]

[Text] Turkey, which is preparing to implement a system of "exports with credit" and "export insurance" to overcome difficulties encountered in exports, is expected to receive a an assistance loan of around \$300 million from the World Bank for its new export policy. The \$300-million World Bank loan, which is described as a concrete support for Turkey's preparations for the implementation of the "exports with credit and credit insurance" system, is expected to be available in the first half of 1987 for "financing foreign trade."

It was disclosed that the loan given by the World Bank will be used to establish and operate a fund for "exports with credit and export insurance" and that the government's work in this direction is continuing.

World Bank Delegation to Arrive

It was learned that work in connection with the World Bank loan to finance Turkish exports has been continuing for a long time, that World Banks experts who came to Turkey 1 month ago and stayed for 3 weeks had talks with officials of the State Planning Organization, the Undersecretariat for the Treasury and Foreign Trade and several exporters and businessmen and that they left Turkey in the past few days after completing their work. It is reported that the World Bank experts' delegation will come to Turkey again next September for research and study work with regard to the said loan. According to information obtained from banking sector officials and circles close to the government, the World Bank experts emphasized export insurance in their talks with the government in Ankara and left Turkey with positive impressions. is also stated that the government is in agreement in principle with the World Bank's new credit project for Turkey. It is reported that both sides have reached an accord in principle over the loan whose primary purpose will be to finance exports of investment goods, and it is expected that the loan, which will be around \$300 million, will arrive in Turkey in the first half of 1987. It is reported that the loan will be handed over to Turkey within the World Bank fiscal year 1987 which ends next June. A major portion of the loan is

expected to be used by intermediary organizations such as the Industrial Development Bank and the Industrial Investment and Credit Bank as well as other banks.

Stating that the most severe problems in Turkish exports are encountered in the sale of investment goods, a senior official said: "The World Bank loan will be primarily used to finance the exports of industries which produce investment goods." Stating that the World Bank is supporting Turkey's efforts to establish a fund for this purpose, the same official said: "In addition, there will be an export guarantee or insurance. This World Bank loan is only a beginning. As the system of exports with credit and export insurance becomes functional, the World Bank may be expected to continue its assistance."

How Will Loan Be Used?

The official circles stated that under the current system exporters can make their sales after obtaining letters of credit, that with this new loan the government will pay the exporters the value of their goods immediately and that the exporters who take advantage of the loan may proceed with their sales more easily. The officials added that the government will collect the payment for the goods exported from the country of destination within a period mutually agreed upon. Although the specific workings of this mechanism is not yet completely clear, a senior official knowledgeable in the issue explained the possible functioning of the system as follows:

"I believe that after the loan has been put at the disposal of the Central Bank, the bank will notify the organizations that may possibly use the credit (such as investment and development banks and other banks). In other words, the Central Bank will ask these organizations to propose projects which fit the purpose of the loan. After the Central Bank examines the condition and creditworthiness of the firms suggested by these intermediary organizations, the firms may qualify to take advantage of the loan. In addition, in determining the exporting firms which will take advantage of the loan certain studies will be carried out and certain assurances will be sought. The interest of the loan will 1 or 2 points more than the interest charged by the World Bank to the Turkish government. In other words, the interest on the loan may be expected to be around 8 percent."

What Export Products Will Qualify for the Loan?

Another official who noted that Turkey's primary problem is in the export of investment goods said: "We built these industries, but we cannot make them work. Increasing the export of these goods is essential for Turkey. Some examples of such goods are tractors, iron and steel products, trucks, buses, construction materials and white goods. Turkey needs such a fund to export these products." The official continued:

"The \$300-million World Bank loan to be given to Turkey to 'finance exports' may help to increase exports by several times. In other words, exports will increase by an amount which is four to five times the amount of the loan, that

is by \$1 billion to \$1.5 billion. This may also help the reopening of the Iranian and Iraqi market. However, all these depend on mutual advantages that may be secured.

Stating that Turkey is planning to implement the "exports on credit" system as soon as possible, the official circles noted that a strong need is felt for a substantial fund for this purpose. They said: "If the World Bank sees that the \$300-million loan it will give is used properly for its purpose, it may schedule another loan of similar magnitude for the next year." It was also learned that the Industrial Development Bank and the Industrial Investment and Credit Bank contributed their own experts to the work carried out by the World Bank delegation during their recent 3-week stay in Turkey and that the two banks submitted to the delegation a report containing the export figures of 40 of their clients for the last 5 years. It was stated that these indicators carried significant evidence for the World Bank experts and that these figures additionally demonstrated the export problems faced by the producers of investment goods. Noting that the World Bank sent 170 missions to Turkey in the last year and that it prepared a large number of reports on Turkey, the experts said that the World Bank has been the only source of credit for Turkey in recent years.

9538

CSO: 3554/115

ECONOMIC

TRAINING, ORGANIZATION URGED TO PREPARE FOR ENTRY INTO EEC

Istanbul DUNYA in Turkish 19 Jun 36 p 1

[Editorial: "What if EEC says 'Yes'?"]

[Text] If, some day, the EEC says "yes" to Turkey's full membership in the community, with what store of administrative knowledge and organization would Turkey start? (Let us clarify the question: How would Turkey keep step with the community's complex and peculiar system, its bureaucracy, its negotiating methods and legal structure? How would it acquire the adequate number of experts, personnel and administrative agencies that would be necessary for compatibility?

The positive political and economic steps taken toward the ultimate goal of joining the EEC as a full member have been increasing the priority of these questions in the public agenda. Deficiencies encountered so far in the running of Turkey-EEC relations—everywhere from inadequate political representation to substandard performance at the negotiating table, conflicts of principle and uncoordination among relevant agencies, and more importantly the failure to form an "organ with the authority to set the main course" on the EEC issue—must be seen as the major factors that have weakened Turkey's efforts. Consequently, these problems need to be solved as urgently as those encountered at the political and economic level.

It is easy to see that Turkish governments have failed to take any concrete and practical steps on the EEC issue since the Ankara Treaty of 1 December 1964 which marks the beginning of relations between Turkey and the EEC. the beginning, a model was adopted which envisaged the running of operations this issue by letting the State Planning Organization insure the coordination among the 11 ministries thought to be related to the EEC. March 1964, a "Foreign Economic Relations Committee" was established in accordance with this model, and the 11 ministries were asked to implement this committee's decisions. However, the model has failed to work until today. After 1980, agencies like the EEC Coordination Committee and the EEC Affairs Department were formed within the State Planning Organization at the directive of the National Security Council, but these agencies were either disbanded or their functions and authorities were curbed or obfuscated after the Ozal government took office. This is how far from seriousness the situation is at the organizational level.

Turkey, which has not been able to form a special EEC organization for more than 20 years, has also naturally failed to pay any attention to the issue of experts. Other than a handful of experts working with their personal means at the ministries of Foreign Affairs, Finance and Commerce, one cannot say that the Turkish public administration today has a cadre of personnel who are knowledgeable about the issue in all of its aspects.

In contrast, countries like Greece, Spain and Portugal, which joined the EEC recently completed their administrative organization and formed their cadres of experts before joining the community, which constitutes the material base of a social "way of life" that goes beyond politics and economics. For example, Portugal began such work in 1979 and implemented regular training programs that affected personnel in both the public and private sectors. Greece has continued educating its public administration, its private sector and judicial organs since 1978. When such living examples exist, how can the ongoing disinterest in Turkey be explained?

9533

CSO: 3554/116

ECONOMIC

JET ENGINE FACTORY CONSTRUCTION REPORTED NEAR COMPLETE

Istanbul DUNYA in Turkish 17 Jun 86 p 17

[Report by Kemal Aksit]

[Text] The TUSAS [Turkish Aircraft Industry Corporation] Motor Industry Corporation factory, whose cornerstone was laid by President Kenan Evren on 24 June 1985, is expected to be completed ahead of schedule because of better than normal weather conditions.

The Eskisehir Jet Engine factory, which is being built by the Dogus Construction and Trade Corporation, is expected to be completed and assembly work is expected to begin most probably by the end of August or the beginning of September.

The Eskisehir Jet Engine factory, which will produce aircraft jet engines and other gas turbines, will manufacture F100-GE100 engines for the F-16 C/D (see Box 1).

It was disclosed that of the total covered floor space of 53,700 square meters at the factory, 26,100 square meters of space will be dedicated to manufacturing facilities, 5,600 square meters will be for administrative buildings, 22,000 square meters will be for worker and guest lodging quarters, 12,800 square meters will be for the engine assembly and test workshop and 13,300 square meters will be for the engine parts manufacturing workshop. It was also stated that the AKKA construction firm is building the lodging facilities.

It was disclosed that the startup capital of the TUSAS Motor Industry Corporation is 250 million Turkish liras, that this will rise to \$56.16 million depending on investments and that \$22.3 million worth of equipment and machinery will be installed at the factory.

Capital Increased by 27 Billion Turkish Liras

Starting with an initial capital of 250 million Turkish liras, the TUSAS Motor Industry Corporation raised its capital in recent days to 27.25 billion Turkish liras.

Of this amount, 20 billion Turkish liras were contributed from the "same" capital and while the remaining 7 billion Turkish liras were paid in cash by

the partners. After the capital expansion, 49 percent of the corporation's shares are owned by TUSAS, 1.9 percent are owned by the Foundation to Strengthen the Turkish Air Force, 0.1 percent are owned by the Turkish Air League, 48 percent are owned by the General Electric Technical Services Company and 1 percent are owned by the General International Company.

Equipment to Be Installed in July

Commenting on the TUSAS jet factory, TUSAS Executive Council President Ahmet Cesur stated that the facility will most probably be completed by September and said: "The installation of the equipment will begin in July, which will be followed by assembly work. The assembly work will be stepped up in September. Initially, 200 persons will be employed at the factory. This figure will increase to 380 when the factory is completed. The construction of the factory is proceeding ahead of schedule because of better than normal weather conditions."

Speaking at the cornerstone laying ceremony, TUSAS Director General Saim Dilek said that the F-16 C/D was selected for production in Turkey and that a foreign-financed partnership has been formed with the General Electric Corporation to build the F110-GE100 jet engines.

Recalling that the TUSAS Motor Industry Corporation was created by Decree No. 84/8902 on 24 January 1985 to manufacture the F100-GE100 engines for the F-16 C/D as well as other jet engines and gas turbines, Dilek said: "The TUSAS Motor Industry Corporation is a partnership in which TUSAS has a 49 percent share, the Foundation to Strengthen the Turkish Air Force has a 1.9 percent share, the Turkish Air League has a 0.1 percent share and General Electric has a 49 percent share. The corporation's foreign financing needs will be met by the foreign partners. The jet engine factory is being built over an area of 500,000 square meters in the region. The factory has been planned such that it will utilize modern technology in its manufacturing operations and will be In engine maintenance and repair work, the factory will self-sufficient. collaborate with the Eskisehir Maintenance and Repair Center of the Air Force Command. Of the total covered floor space of 53,700 square meters at the factory, 26,100 square meters will be dedicated to manufacturing facilities which consist of parts production and engine assembly workshops, 5,600 square meters will be dedicated to office buildings and 22,000 square meters will be dedicated to worker and guest lodging quarters. Equipment and machinery worth \$22.3 million will be installed in the factory which will employ 381 people.

"The factory will cost 22.5 billion Turkish liras in 1984 prices, out of which 11.5 billion Turkish liras will come from domestic sources and 11 billion Turkish liras will come from foreign sources. The construction of the workshops has begun, and all manufacturing units will be operational by the end of 1986. The administrative and social facilities will be completed by the end of 1987. It is planned to spend a total of 41.7 billion Turkish liras by the end of 1987. Out of this 22.4 billion Turkish liras will come from domestic sources and 19.3 Turkish liras will come from foreign sources.

"The manufacturing of engine parts will begin in March 1987 and assembly of engines will begin in April 1987. The first locally-manufactured F110-GE100

engine will be delivered to the TUSAS Aircraft Factory in September 1987 for nounting on the F-16 C/D aircraft.

"With this investment in this jet engine factory, the F110-GE100 jet engine, which is one of the most advanced aircraft engines in the world, will be produced in our country jointly with our partner, the General Electric Corporation."

The TUSAS jet engine and gas turbine factory, which will accelerate the development of high technology in the Turkish aerospace industry, is expected to collaborate closely with private firms.

# [Box 1] F-16 C/D Specifications

Length: 15.03 meters Wingspan: 10.01 meters Height: 5.09 meters

Maximum total weight: 17,000 kilograms

Speed: Over Mach 2

Range (fighter mission): Radius of more than 1,000 kilometers

Range (cruising): More than 3,700 kilometers

Engine: General Electric F110-GE100

Thrust: 25,000 1b.

Service life: 8,000 flight hours

9588

(.io: 3554/114

ECONOMIC

# SOUTHEAST ANATOLIA PROJECT TO BECOME FOCUS OF DEVELOPMENT

Sanliurfa Tunnel Specifications Given

Istanbul CUMHURIYET in Turkish 17 Jun 86 pp 1.10

[Text] What Is the Sanliurfa Tunnel?

--The Sanliurfa Tunnel will carry the waters of Euphrates that will accumulate behind the Ataturk Dam to the plains of Harran, Silvan, Nusaybin and Ceylanpinar, thus facilitating regular irrigation in the region.

--The Sanliurfa Tunnel, which will be longest irrigation tunnel in the world with a length of 26.4 kilometers, will consist of two large tunnels 7.62 meters in diameter running parallel to each other at a distance of 40 meters from each other. The combined length of the two tunnels will be 52.8 kilometers.

-- The tunnel which will operate with a pressure system will transport 164 cubic meters of water a second to the Harran Plain.

--During the construction of the tunnel, 3 million cubic meters of soil will be excavated, and 1.45 million cubic meters of concrete will be poured.

--The Sanliurfa Tunnel will facilitate the irrigation of 700,000 hectares of land in the Harran Plain. This will result in a nearly twentyfold increase in agricultural production in the region.

--The Sanliurfa Tunnel is expected to be completed in 1990 and to cost 32.2 billion Turkish liras in today's prices.

Construction of Batman, Dicle Dams Begins

Istanbul CUMHURIYET in Turkish 17 Jun 86 pp 1,10

[Report by Ziya Aksoy]

[Text] Diyarbakir--At ceremonies to be held today, Prime Minister Turgut Ozal will lay the cornerstones of the Batman and Dicle [Tigris] dams which constitute a major portion of the Southeast Anatolia Project [SAP].

The most important purpose of the Batman project, which is one of the units of SAP, is to facilitate the irrigation of plains on the right bank of the Batman Stream and on the left bank of the Tigris River. The contract for building the Batman Dam and Hydroelectric Power Station, which will be affiliated with the 10th Regional State Hydraulic Affairs Directorate General, was awarded to the Bahaeddin Goren firm on 15 November 1985.

The project whose estimated cost was 29 billion Turkish liras was contracted for 26,671,000,000 Turkish liras. The dam, which is expected to be completed in 1991, will be used for both irrigation and energy generation. The rockfill type dam, will rise 89.50 meters from its base and will have a body fill volume of 4,027 cubic meters [as published].

The Batman Dam, which is 100 kilometers away from the city of Diyarbakir and 106 kilometers from the city of Siirt, will be located within the borders of the provinces of Diyarbakir and Siirt, 20 kilometers east of the county seat of Silvan and 700 meters upstream from the historic Malabadi Bridge.

The Dicle Dam is being built on the Tigris River.

The Dicle Dam and Hydroelectric Power Station, which is situated within the borders of the province of Diyarbakir, is 50 kilometers away from the city of Diyarbakir and 22 kilometers away from the Kralkizi Dam. The Dicle Dam is 7 kilometers southeast of the Egil subdistrict and 800 meters downstream from the point where the Maden Stream and the Aminni Stream join each other to form the Tigris River. The Dicle Dam, which is part of the first stage of the Kralkizi and Dicle projects, incorporates the Kralkizi and Dicle dam constructions which when completed will irrigate the plains of Ergani, Diyarbakir, Merkez, Cinar and Mardin-Davos.

SAP Benefits, Drawbacks Examined

Istanbul DUNYA in Turkish 17 Jun 86 p 1

[Editorial: "SAP is Turkey's Opportunity"]

[Text] When the veil of highly "oriental" political rivalry over the Southeast Anatolia Project [SAP] is lifted, the issue of who started the work and who is going to finish it does not carry much significance. Political regimes naturally seek a share for themselves in such enterprises. The share of honor that can be carved out by the parties and their leaders who participate in the initiation, running and completion of a project which may contribute genuinely and substantially to the country's economy is limited by the routineness of the proper performance of their duties in the service of their country and people. If the ruling parties to whom the country is entrusted and whose primary duty is to insure the prosperity, happiness and security of the nation properly perform the functions that is expected of them, there must be nothing surprising about that.

DAP is a great opportunity in Turkey's process of economic and social levelopment and goes much beyond being a political showpiece. Whether by the last on onsciously, with this project Turkey has captured the dynamism of

multidimensional development. The life that the dam system will breathe into Mesopotamia--whose history has been shaped by nature--will substantially increase the vigor of Republican Turkey to pursue its efforts of modern development. The significance of this vigor is that it will break the backward regional mold that is beset by deep economic and social conflicts and create the conditions for building a fresh, lively, productive and development-oriented mold which may have a positive effect on all of Turkey.

The process of building SAP will abolish the semi-feudal system which has been an economic, social and political stumbling block in the region where the project is being built; which has made its effects felt intensely in superstructure institutions and which has symbolized a backward property ownership and production order. The most important benefit of such a dissolution will be the emancipation of agricultural production from the "landlord master" mentality and the establishment of an environment conducive to the operation of productive medium and small farming enterprises by the side of large-scale agricultural operations. An industry based on an agricultural system set on such foundations may give impetus not only to the region it is in but also the entire Turkish economy.

Of course, making this project operational is not the only step needed "to conquer the East's bad luck"—as Prime Minister Ozal has described it. When SAP transforms land ownership in the region in new ways new problems will undoubtedly emerge. The most important of these problems will be the issue of how to protect small and medium landowners against big capital which has already begun to act and the issue of what financial and technological means they will be given for their development. In fact, the project's most important deficiency is the fact that it has not been run together with the land reform initiative which has been subordinated for years to political interests. To these problems, one must add the place in the new regional order of the weak who may lose all their property and those who already do not have a single standing tree of their own.

9588

CSO: 3554/113

ECONOMIC

SOUTHEAST ANATOLIA PROJECT SEEN AS 'HOLY WAR', 'CONQUEST'

Istanbul TERCUMAN in Turkish 17 Jun 86 p 9

[Article by Taha Akyol: "The People and the Southeast Anatolia Project"]

[Text] The cause of the Southeast Anatolia Project [SAP] has gripped the Southeast. It appears that the people understand SAP better than some of our intellectuals. I mingled and chatted with the people in Adiyaman and Urfa before Prime Minister Ozal spoke in those provinces. The people know that SAP will transform Turkey when it is completed, that billions of Turkish litas are being channeled to various SAP units from various government funds and that the billions being channeled to the Southeast from funds and taxes collected from all over Turkey will consolidate our national unity.

Two prime ministers have visited Adiyaman in the entire history of the republic. The first was the late Adnan Menderes, and the second is Ozal. Ozal was received with cheers by an enthusiastic crowd in Adiyaman.

The people of Adiyaman applauded and cheered most for two issues. One of them is the issue of investments in Adiyaman, and the other one is the Fund for the Poor and Needy, which the social democrats finds as "reactionary." Ozal estimates that 500 billion Turkish liras will accumulate in the fund. If an average of 300,000 Turkish liras is handed out in assistance for each person, 1.5 million poor, needy and destitute people will receive help. A huge applause of approval.

As you know, seeking ways of reaching out to the people, "investments" and "service" without having guilt feelings about "progressivism" or "reactionarism" are traits which have become the trademark of the right and which cannot be found among our "progressives."

Based on what we heard from the residents of Adiyaman, the people love Mayor Mehmet Erdem who defected from the Nationalist Democracy Party to the Motherland Party [MP], and this has increased the people's interest toward MP.

Ozal was greeted with demonstrations of affection in Urfa as well. A monument stands in the Government Square in Urfa. The writing on the monument in old Arabic script says: "In memory of the martyrs of the Great War." Ozal addressed the people in this square. The same two issues drew the most applause and cheers: Investments—mainly SAP—and the Fund for the Poor and

Needy. Ozal said that the 50 billion Turkish liras raised through the sale of the revenues of the Keban Dam and the bridges have been invested in the Ataturk Dam which will irrigate Urfa and that the construction of the dam has been accelerated. A massive wave of cheering. Ozal continued:

"When the projects are completed, the emigration of the people of this area to other locations will end; this area will have the abundance of three or four Cukurovas. Then people from other regions will immigrate here."

These words, which touched me as well, were applauded vigorously. Ozal then gave a "technical answer" in his speech:

"We are not building just dams and power stations; we are also building roads. We wil! build factories and airports."

The people of Urfa are as unhappy with Mayor Ibrahim Halil Celik, a member of the Prosperity Party, as they are pleased with Governor Alpaslan Karacan:

"Brother, you saw how dusty and dirty the avenue leading to the Government Square is. Write that in your paper. The mayor is not working; he is just touring around."

The people I talked to told me that the Democratic Left Party will show a noticeable presence in Urfa for the first time.

I was impressed by the fact that one phrase Ozal used drew a lot of applause in both Adiyaman and Urfa:

"I am one of you. I know your problems. I, too, grew up with those problems. I arrived at where I am now by dealing with those problems."

I learned from all this that for those who want to succeed in politics there is certain formula to win the support of the people: You have to show the people your resources, you have to tell them in a credible way how you will expand investments, you have to blend yourself with the moral sentiments of the people and you have to be "one of them" rather than one who is "illustrious and revered."

# Giant Trucks

An endless arid and barren terrain and a prairie climate which has oppressed the people of Anatolia for centuries and which has made them introverted and timid. We see a huge construction site in this endless terrain. Working in this construction site are 200 trucks each of which can carry 85 metric tons of excavated material. These trucks, whose wheels are 2.5 meters in diameter, look like matchboxes from the hills. According to the information we obtained, 100 additional trucks, each with a capacity 120 metric tons, will soon be put into service. Additionally, 180 40-metric-ton trucks were put into service this year. In this enormous construction site, mountains are being removed to make way for the turbines of a power station. The Euphrates is being dammed to form Turkey's largest man-made lake. Two 26-kilometer tunnels will carry Euphrates' water under the mountains into the Harran Plain.

According to the information given to us by Minister of Agriculture, Forestry and Village Affairs Husnu Dogan, when SAP is completed and becomes operational, 1.8 million hectares of land will be irrigated and the entire Southeast will become a center of agriculture, energy and industry with the capacity of four to five Cukurovas.

Our Martyrs

In the construction of the Ataturk Dam, 6,000 persons are employed, 200 of whom are engineers. So far 10 engineers, technicians and workers have lost their lives as martyrs in the project. Meanwhile, the Karakaya Dam, which is being built in a steep and rocky area, has claimed 32 martyrs.

One cannot but pay his respects for these martyrs who have lost their lives in this greatest conquest of Turkish history in the 20th century, this holy war of the prairie people to conquer nature and to drill through the mountains, and express his deep gratitude and praise to everyone who has contributed his labor to this project.

Drilling Mountains

Those who wish to see the success of the Turkish holy war to conquer nature and to watch the great national excitement of the third Ergenekon with goosebumps and occasional teary eyes should simply visit the Ataturk and Karakaya dams for only a few minutes and see how thousand-year old prairies are transformed into a region of agriculture and industry with human willpower.

The Turkish nation is experiencing the excitement of a new conquest: Drilling through the ages.

9588

CSO: 3554/112

ECONOMIC

# LAND REFORM BEGINS IN SOUTHEASTERN PROVINCES

Istanbul CUMHURIYET in Turkish 17 Jun 86 pp 1,8

[Text] Sanliurfa/Ankara—The Council of Ministers decree on "the agricultural reform implementation area in connection with the redistribution of land in irrigated regions, standards for land distribution and principles of land to be left to the owners" went into effect after being published in the Official Gazette. Thus the first implementation of the agricultural reform plan that has been talked about for years began in Sanliurfa.

According to the Council of Ministers decree, the smallest plot of land that can be owned in this province will be 60 decares in irrigated areas and 200 decares in dry areas. Large landowners whose lands were previously nationalized in accordance with the now-defunct Land Reform Law will be returned 600 and 2,000 or more decares of land, which is 10 times the 60 and 200-decare land distribution norm that has been endorsed.

Of the lands that were put under the jurisdiction of the Agricultural Reform Directorate General in accordance with the Land Reform Law, those which were irrigated by the government until 1982 will not be redistributed and will be leased to farmer families who own little or no land. After the lands are actually irrigated, they will be distributed to those who qualify in accordance with the distribution norms, and the Agricultural Reform Directorate General will register the lands in the new owners' names. The Agricultural Reform Directorate General will also process title deed registration papers for those who have continuing ownership rights over lands previously distributed in Sanliurfa in accordance with the now-defunct Land Reform Law.

Unaware that the said decree was published in the Official Gazette, Prime Minister Turgut Ozal said in Sanliurfa yesterday morning that the decree with regard to the distribution of irrigable lands will go into effect in 1 or 2 days. Ozal summoned Minister of Agriculture, Forestry and Village Affairs Husnu Dogan to his office and asked him to disclose the land distribution decree.

Husnu Dogan disclosed that a decree has been prepared in accordance with the law on the distribution of irrigable land and that the amounts to be distributed in locations designated as land reform regions have been

determined. Noting that the total land area of Urfa is 19 million donums, Dogan said that the province's total arable land is 11.7 million decares and that the land area at the disposal of the Land Reform Directorate General is 2.85 million decares. Stating that the land distribution norms are 60 decares for irrigable land and 200 decares for dry land, Dogan said:

"Land that may be retained by the landowners may be 10 times the minimum standards set by the law. The government may raise this figure to a maximum of 15 by a decree. At the moment the government has set this figure at 10, that is 600 decares for irrigable land and 2,000 decares for dry land. If more land has previously been nationalized from landowners than the current standards, the difference will be returned to the owners. This way, 829,000 decares of land will be returned to 1,356 families. During this return process, the owners will be compensated for their nationalized land at the originally set prices, since they were not paid anything at that time. Those who have been paid compensation will be paid at new rates. When distributing land to farmers with little or no land, the amount of land given will be such that they will bring land plots that are below the standard size up to the standard level. This way, land will be distributed to 10,000 families."

9588

CSO: 3554/112

ECONOMIC

### BRIFFS

CURRENT ACCOUNT DEFICIT RISES--Turkey's current account deficit in the first 3 months of this year rose by 205.7 percent compared to the same period of last The current account deficit rose from \$227 million in the first 3 months of last year to \$694 million in the corresponding period of this year. Declines in worker remittances and tourism revenues were the primary causes of this sharp rise in the current account deficit. In the first 3 months of this year, worker remittances dropped by 30.4 percent compared to the corresponding period of last year. Worker remittances declined from \$397 million in the first quarter of last year to \$276 million in the corresponding period of this There was a similar decline in tourism revenues. Tourism revenues declined by 22 percent from \$154 million in the first 3 months of last year to \$120 million in the corresponding period of this year. In contrast, there was an increase in Turkey's tourism expenditures in the period considered. Tourism expenditures rose by 49 percent from \$51 million in the first quarter of last year to \$76 million in the corresponding period of this year. according to these figures, the country's net tourism income declined from \$101 million in the first 3 months of last year to \$44 million in the corresponding period of this year. During the period of comparison, Turkey's short-term foreign debt rose by 402 percent. According to balance of payment figures, the country's short-term debt rose from \$219 million in the first 3 months of last year to \$1.319 billion in the corresponding period of this year. During the same period, the infusion of foreign capital declined. The foreign cash flow declined from \$36 million in the first quarter of rear to \$31 million in the corresponding period of this year. [Text] [Istanbul DUNYA in Turkish 19 Jun 86 p 1] 9588

Erzurum with the Southeast Anatolia region has been opened to traffic. According to information given by the 12th Regional Highways Director Cengiz A1, the 62-kilometer Cat-Karliova highway, whose construction was begun in 1983, cost 2 billion Turkish liras. With the opening of the highway, which was built to first-class public highway standards, the distance between Erzurum and Diyarbakir was reduced by 195 kilometers to 290 kilometers. [Text] [Istanbul HURRIYET in Turkish 17 Jun 86 p 2] 9588

CSO: 3554/115

MILITARY

### DEVELOPMENTS IN MILITARY AIRCRAFT PURCHASES

# F-16 Electronics Warfare System Delays

Athens I KATHIMERINI in Greece 16 Jul 86 p 1

[Text] According to assessments by military circles, the government's inexcusable indecision to authorize the installation of the Electronics Warfare System on the F-16s will cause delays in operational readiness and increase the final cost.

Negotiations started in 1982 (a fact which shows that at that time the government had already chosen this American-type of aircraft). But suddenly the government began to study the subject anew, although it has signed a Letter of Intent to purchase these aircraft and the only thing left was the signing of the contract with General Dynamics. More specifically, Air Force research teams were assigned the task of exploring the possibility of manufacturing this electronics system here.

The research teams were charged with the responsibility of submitting, by the end of the year, a feasibility study. According to this procedure, the Army General Staff [GEA] will have the time (!) to study the subject and to decide by the middle of 1987 whether it will go ahead with Greek companies.

It is obvious, however, that this delay means higher costs for placing the system in the aircraft. More importantly, by the time the decision is reached and the order is finalized for installation or—more so—for its construction here, the first F-16 delivered to us will not have the operational advantage of an electronics system for self protection of the aircraft.

It is reported that the same applies to the French Mirage whose production started soon after the signing of the Letter of Intent. Even if the decision were made today, most Mirage aircraft would be delivered without this electronics equipment.

With regard to higher cost-because of the delay in reaching a decision-in the Mirage aircraft, it is reported that the French have already received as advance payment 10 percent of the seven and a half billion francs (the cost of the 40 French aircraft) plus certain installment payments. But the sum paid to the French includes the French electronics system. Before 30 June we advised the French not to go ahead with production of the system. This resulted in the loss of part of the advance payment relating to the cost of the Electronics Warfare System since the French will not return the money but will give us credit...to buy other products.

Greek Firms to Build Systems for F- '0:

Manufic I MANUMERINI in Greek 17 Jul 80 pp ., 1

The povernment reached the rather risky decision to authorize dreek companies to produce an electronics countermeasure system for the new I-10 and Mirage 2000 planes. At the same time it cancelled the contract it had signed with a French firm, as KATHIMERINI revealed yesterday by Input, Defense Minister Th. Stathis after a report which appeared yesterday in this paper—and which was proven absolutely correct—causing consider....

The Starnia Statement

According to Stathis, Greek firms, including the Greek Aerospace Industry (EAb), will undertake the production of only one section of the electronic definitions are system.

"We chose this procedure in order to check fully the systems' software; 'n Lable to adjust the systems depending on developments in technology; and on the form of the threat the country specifically faces," Stathis said.

In the opinion of military observers, this reasoning is certainly sound, but the constion is whether we have the capability for undertaking such a that:

Stathus claims that "the Greek Air Force and the Research Centers believe they can do the job." Yet none of the Greek firms has so far shown and partitle according in this.

Pelimie reports may that in the past the Air Force assigned to a Greek fine the formend/Control Communication (C3) program but without positive nearly.

According to Stathis the financial advantages from this Greek production of Lof Lare is significant. The purchase of the system would cost approximately 200 million dollars, while the additional investment for its production in Greece would be only 50 million dollars.

Province security and financial advantages, a new arrangement secure. The transfer of technology and any type of aid for the solution of any problem. That may possibly emerge during implementation of the program. Statisty of the containing and sould all the latest by this.

He added that with regard to the 60 million frames already paid to the French firm DASSAULT, "we are not joing to lose it despite the fact that we manage our minds, because the advance payment is contractually safe."

In yesterday's briefling of military editors, Defense Minister I. What Lambopoulos made reference to a report published last Sunday in KYMPURIM. He cuplained it was not accurate that the USA refused to apply the F-II (Phantom) aircraft to Greece. Kharalambopoulos claimed the American offer all not refer to F-IE aircraft which Greece wants to get, but to the emplied type F-IC which was rejected for that very reason.

With regard to the 75 Egyptian Chantoms, Kharalambopoulos and that the price was prohibitive and for this reason both Greece and Furkey--which has also expressed an interest--did not go ahead with the purchase.

A new offer by the USA for the sale of an unspecified number of  $\Lambda$ -78 bombers was made in the context of the Defense and Industrial Cooperation Various (DICA) of the two countries, Kharalambopoulous said, adding that the subject is being studied by the Greek Air Force.

Finally, Wharelambosoulos said that in the effort to strongthen the Air Force, the Greek povernment bought five F-5s from Norway.

Increase in Offsets Percentage Asked

Alband I KAMAMIDIAL in Trock 20-21 Jul 86 p 1

[Text] Unjustified files and—copy att—bad bandling by the examination for the so-called parcials of the century have added considerable contains the state and by extension to the Freet tampager. Thus, after the interest the electronics colf-defense systems for aircraft—which was resorted in KAHKIMERIM. For days ago—reports come out of Washington saying that the F-16 manufacturer, General Dynamics and General Electric (solection to produce the motors), taking dynamics of the government to act differently, reneged on certain obligations containing offset benefits for the sale of the 40 aircraft.

More specifically, while they eem loss the messed off we percontage a final, they wanted his two and was a loss higher royalties for the foreign technology we will need allow it assignst international practice.

This development is basically the result of the government's delay in finalizing the agreement on offset our fits, which should have been concluded before signing for the aircraft's purchase then the Queek jue to in a stronger bargaining position.

The government's responsibility is even greater when one takes into account that the process for selection of the type of mireraft instelling as a

The government's inexcusable delay, which led to its loss of bargaining assets, is shown by the hasty decision to select a motor although it had not seriously studied the issue, as it announced in order to justify the delays. Regardless of whether the motor was proper for the aircraft, the government let itself by drawn into an agreement because otherwise the Americans would not have given the money to pay for installments on the aircraft.

In fact, the agreement for the F-16s must be signed with General Dynamics during the month of August. During the same period the government must pay from the FMS loans installments on the aircraft. But the Americans do not seem to be inclined to give the money unless the contract is signed. Before signing the government must first select the motor.

We should remind [the reader] that the offset benefits from the aircraft purchase fall into three categories: (a) joint production of aircraft parts; (b) cooperation and joint production of defense equipment in general; and (c) cooperation in the area of tourism, industry, and agriculture.

7520

CSO: 3521/199

MILITARY PORTUGAL

### ARMED FORCES PROTEST LACK OF PROMISED ALLOCATIONS

Lisbon TEMPO in Portuguese 11-17 Jul 86 p 7

[Text] The "urgent reorganization" of the Defense Ministry promised in November is yet to be done and the ministry's top officials have been replaced almost in their entirety due to disagreements of various sorts, although the ineffectiveness of their action is cited as the main reason for the change.

In political terms, the discontent of the military was evident to the public eye quite early.

The tip of the iceberg was this year's state budget. Lemos Ferreira and the other military chiefs did not hesitate to loudly criticize the politicians for having once again postponed the basic measures they have long sought. The debate grew and, suddenly, some voices began speaking about the "uselessness" of the armed forces. Strangely, the major critics of the "troops" hold important positions in the government party. Without money to modernize equipment, without funds to keep in operation the little and poor means it has, the military made its voice heard on several occasions, reaching the point of asserting that only 30 percent of its materiel was operational. A few extreme cases were occurring in the navy, the army and the air force. The military, in impecunious times, felt more and more like scapegoats for a situation it had not created.

But in Portugal only those who make noise see their minimal concerns addressed.

Parliament found that the 5 million contos provided in the 1986 budget for buying three MEKO frigates was not legally covered, because--imagine this--the military program called for in the decree-law of January 1985, a document essential for proceding with modernization of the armed forces in the intermediate and long term, taking into account the philosophical concept of national defense and the strategic military concept, was not yet in existence.

The counsel of the armed forces chiefs of staff, however, felt that the threats to Portugal had not yet been defined, a necessary step in deciding what type of materiel and what human resources would be needed to confront such threats.

Eventually, the government promised to review the appropriations for the troops in 1987 and is trying to approve a supplementary budget that compensates the armed forces for the variations in fuel prices.

All this is happening, let it be said on behalf of the truth, due to the pressure of the military chiefs and not on the initiative of the government or the ministry.

The strong speeches of Lemos Ferreira, Salazar Braga, Sousa Leitao and Brachado Miranda resulted in action on the part of the prime minister, the defense minister and the deputies themselves.

Two hundred days after taking office, the Defense Ministry went into action and appears willing to put into practice the promises contained in the program that was approved in parliament.

But until now, after 7 months, ineffectiveness has been installed in the lovely offices in the rose-colored building somewhere in Restelo.

8834

CSO: 3542/127

MILITARY

# ARMY REPORTEDLY LAST IN MILITARY EQUIPMENT PURCHASE PLANNING

Lisbon O JORNAL in Portuguese 4-10 Jul 86 p 13

[Article by Cesario Borga]

[Text] It will always be important for Parliament to make decisions on major military issues, namely the procurement of foreign materiel, provided its actions are interpreted as a factor for correcting proposed measures and decisions. In the case of reequipment programs for future years, its intervention may not be very valuable at present.

The introduction in Parliament of military reequipment programs for future years marks a new stage in the decision-making process for procurement of war material for the Armed Forces. Such decision-making has not always been peaceful and has sometimes even resulted in controversy, as happened in the procurement of Corsair A-7 aircraft.

The submitted proposals currently have a 6-year timeframe and involve several million contos, although a good portion will be paid by aid from NATO countries, in particular the United States and the FRG.

The situation appears to be just a matter of passing a draft law so the Navy can have its much discussed frigates, the Air Force can get another large shipment of recycled aircraft, and the Army can acquire an antiaircraft defense system. But the proposals will inaugurate a period in which Parliament will be making the principal military decisions in a process of open public debate.

Members of Parliament who are very sensitive to military issues and prominent members of the Armed Forces agree that the debate on the frigates, aircraft and antiaircraft missile system may reinforce a more obvious dependence. Both agree that it is more important for military institutions and for democracy, as exemplified by other European countries, for Parliament to make decisions on major military issues such as procurement of materiel and reorganization programs, not to mention, of course, choices of strategy and defense policy, which are not exclusively military.

Navy Gets Lion's Share

With the acquisition of its frigates, the Navy will, as expected, get the "lion's share" of the program submitted by the government. Expenditures are scheduled as far ahead as 1992 and the frigates alone will reportedly consume a budget of \$78,100,000 (about 12,000,000 contos) this year.

According to the government's proposal, about half the amount budgeted for the frigates will be spent in 1986 to purchase Orion and more A7-P aircraft. About 1,400,000 contos will also be spent this year on the antiaricraft defense system for the Army.

Some of these expenditures were already covered by the budget estimate approved by the National Assembly, while others will not be met until 1987. According to the text of the proposal, "the expenditures resulting from the contract for procurement of command, control and radar systems are not yet known with certainty," whereas acquisition of the antiaircraft defense system is due to the fact that the contract with the United States was concluded more rapidly than expected. On the other hand, the government's text pledges that the military procurement law for 1987-91 will plan for "new re-equipment and infrastructure programs for the Armed Forces."

Army a Poor Relation

In this planning, the Army is the poor relation and everything suggests that this is not just a result of economic circumstances, although that is partly the reason.

In the time of the colonial wars and the years following, the  $\Lambda$ rmy got the Higgest slice of the military expenditures pie and the small investment made in new equipment.

Now with the drums beating out a strategy of integrating the ground, air and seer roles of the so-called Portuguese "strategic triad," the Army may be alloomed to a smaller role in the future despite the fundamental mission it will always have of occupying the land and warding off any land invasion.

Ships and aircraft will always be very heavy investments and the time when the country can simultaneously replace the equipment of ground, naval and air forces is not yet in sight. Consideration should be given to the fact that within four years, when re-equipment of Air Force squadrons has been completed, other sophisticated aircraft will be needed, especially for anyone who buys second hand equipment.

The frigates will definitely not age as fast, but meanwhile it is almost certain that replacement of the Navy's remaining equipment will follow the prevailing trend.

11915/9435 050: 3542/0122

# NAVY PROTESTS POOR CONDITION OF MERCHANT FLEET

Lisbon DIARIO DE NOTICIAS in Portuguese 5 Jul 86 p 3

[Text] The Portuguese Navy will be reasonably well equipped, "for our size," after acquiring new frigates and repairing its submarines, a high-ranking navy officer stated.

Thus reequipped, the Portuguese Navy will have "a military component that will serve as a deterring force. We must use our power so that if other nations wish to interfere in our concerns we are able to respond properly," he added.

The high-ranking officer complained, however, that "when thinking of the armed forces, the military component is thought of exclusively." The state's sea power is also exercised by the navy, and this aspect of the question "has been somewhat forgotten," he said.

Our merchant marine "is a calamity, and has arrived at a disgraceful state." There is no navy on earth that "does not need the merchant marine, which is part of what is called see power, to be ready for any eventuality."

Corroborating the evaluation he made of the merchant marine's condition, this navy officer stressed the fact that currently only 7 percent of cargo related to Portuguese imports and exports is carried by ships of our flag, whereas the percentage was 80 percent before April 1974.

This does not include transport of fuels: "we are not bad off in that area," he said, "as most of the fuels we consume are transported by the Soponata fleet."

Another aspect mentioned is related to "Portugal's need to explore the depths of its seas. The Hydrographic Institute has only one ship" and this fact speaks for itself.

In conclusion, he asserted that "although we have been neglecting our seas," this is not due to "disputes within our own government," but purely and simply to "a lack of strategic vision, which is an affront to our own history."

'Rosa Branca 86' Begins Tomorrow

The military exercise called "Rosa Branca 86" begins tomorrow, to continue until 9 July in the Santa Margarida region, involving the action of 4300 men, 940 vehicles, supported by men and material of the Portuguese Air Force.

The exercise of the 1st Independent Joint Brigade has the purpose, according to a communique from the Army General Staff, of "developing the capability for planning and conducting defensive operations in a non-active nuclear environment."

Practice for action by the combined forces, specifically air-land cooperation, is also one of the purposes of this exercise.

8834

CSO: 3542/127

MILITARY PORTUGAL

### BRIEFS

'BARRACUDA' SUBMARINE DESCRIBED--The submarine "Barracuda" is in the port of Leixoes, in order to join the commemorations of Navy Day, which will take place tomorrow. The unit, headed by Lt Commander Joaquim Nobre, is prepared to attack cargo ships, which in time of war are usually escorted by surface ships. As described by Lieutenant Albergaria, the "Barracuda" displaces about 1,078 tons, carrying a crew of 53, of which 7 are officers, 14 are non-coms and 32 are enlisted men. In peacetime, it can submerge to a depth of 300 meters, and it can remain (theoretically) for 1 month at sea, operating 80 percent of that time underwater. The 58-meter submarine, built in France in 1967, is used on three basic types of mission: operational exercises, within the context of NATO or jointly with the British and Spanish navies; domestic exercises, with frigates and corvettes; and instruction missions, for teaching new sailors and training the crew itself. At the present time, Lieutenant Albergaria pointed out, the submarine is executing its own training and teaching nine new persons, including officers and non-coms.

[Excerpts] [Lisbon DIARIO DE NOTICIAS in Portuguese 7 Jul 86 p 13] 8834

CSO: 3542/127

ENERGY EUROPEAN AFFAIRS

ENEL-LED CONFERENCE SUPPORTS NUCLEAR ENERGY

Rome L'UNITA in Italian 19 Jul 86 p 3

[Article by UNITA correspondent Alberto Leiss]

[Text] Venice: "The Chernobyl incident was attributable to specific causes, in a specific context, none of which, generally speaking, in any way impugns the soundness of utilization of nuclear energy. Nuclear power was and in fact is one of the safest sources of energy we have." Electric power producers from Western Europe, North America, and Japan, gathered in Venice at ENEL's invitation, spelled out their energy creed in black and white in a document that drew broad support from most of the technical papers read on the first day of the meeting.

The document summarizes the arguments adduced at a closing round-table discussion chaired by ENEL president Corbellini, and includes contributions from spokesmen from Italy, Spain, the United States, France. Germany, Switzerland, Belgium, Great Britain, Canada, and Japan.

Following the first statement (quoted above) came three more arguments: they had to do with control to safety in nuclear plants "expressed in technical, econol human, and managerial efforts," and "intensified international operation;" a second emphasized our inability to do without nuclear energy, our grudging admission, in the the wake of Chernobyl, that the public is entitled to more and more candid information, as well as a demonstration of the "optimal operating performance" of nuclear power plants.

The decision to continue in operation came as no surprise from those whose business it is to generate electric power in today's world, but the Venice conference revealed, in short order, all the earmarks of a full-fledged political and image-building counterattack after the months of fear and dread and uncertainty after Chernobyl. The absence of spokesmen from the USSR—several times dismissed as insignificant—afforded an opportunity for more candid presentation of concepts that many delegates were more than eager to talk about. Speaking for all of them was Giovanni Naschi, ENEA's

ENEL, which sparked this international initiative, showed us all, through its vice president Inghilese, what might be termed a "moderate" position. Rather than setting our sights on a lot of new power plants (so much additional investment in plant security could prove uneconomic), ENEL seems to be interested primarily in a new plant design it calls "polyvalent," which could burn a variety of fuels, thereby aquiring a flexibility edge that could facilitate its dealings with the market, and which also promises to be "cleaner." Security safeguards and monitoring, Inghilese said, would be stepped up, not only in existing reactors, but also in the new prototypes with their more advanced technology, now in the design and experimental stages.

6182

CSO: 3528/181

security maven just returned from a technology summit meeting in Paris: "There was consternation," he said, "over the psychological fallout during the post-Chernobyl period. We, nevertheless, are confident that we are in no way at fault: corner-cutting on the scale of Chernobyl finds no counterpart in the technologies of western countries." Even ENEA President Colombo, in brief welcoming remarks, lashed out furiously at what he called "a disgusting and underhanded attack on nuclear power," and the insinuations—those—including Nobel prize-winner Rubbia—who argue that it is high time to start concentrating on new technologies to replace fission, with accelerated research into fusion technology.

Colombo argues that fusion is a theory that, for the time being, lacks foundation. "It was nothing more than a stroke of bad luck," he asserted, "that the Chernobyl incident coincided with a sharp drop in oil prices. Politicians and citizens, however, tend to focus on immediate, rather than long-term benefits. But what about the future? Fossil fuels are not, after all, irexhaustible and they do pollute the environment, while alternative energy sources have hitherto proved invalid as solutions to our problems."

On the whole, papers presented here tended to underscore the need for providing the general public with more and better information, perhaps by sharpening up public relations techniques rather than harping on the need for more stringent safety standards, despite the fact that since Chernobyl ritual admission by nuclear engineers that incidents can indeed happen is now part of their everyday vocabularies.

There was still some difference over priorities, though, even yesterday. It was the most consistent and fundamentalist advocate of of nuclear development programs, France's Carle, who raised an issue and delivered a warning:

"If we had the slightest inkling that a Chernobyl incident could occur in one of our plants, it would be our moral duty to shut them all down. We can lower the level of risk, and we must be diligent in bringing them down.." Again, in response to Corbellini, Carle cited the technical disparities between a plant like Chernobyl and western reactors, which do lead one to perceive the former as less reliable, but suggested: "Our Soviet colleagues, say what you will, are not dolts. Any final judgment will have to wait until we know a lot more about what really happened."

Meanwhile, representatives of western power companies had put together some proposals of their own: Expedite the flow of information, backing up the work of some agencies already in existence, such as Europe's USERS and the American-devised IMPO; Open our minds to accept and agree to reciprocal international inspections. That last one is going to call for decisions at the governmental level in a good many countries. Furthermore, let's consider a repeat of meetings like the one in Venice, once we have the Soviets' report on Chernobyl, but before the national conference on energy that the Italian Parliament has decided to convene.

ENERGY

# ENERGY MINISTER COMMENTS ON RELATIONSHIP WITH OPEC

Oslo AFTENPOSTEN in Norwegian 5 Jul 86 p 2

[Op Ed Article by Oil and Energy Minister Arne Oien]

[Text] Ongoing search and development on the Norwegian continental shelf is being threatened by low and uncertain crude-oil prices. The present price of between 11 and 14 dollars a barrel is only about half the average price oil companies must get over the life of a project to make the development of new fields profitable. There is a risk that oil prices will contito fall. If the OPEC nations--contrary to conjecture--should abandon all attempts to jointly regulate production, we may see prices of below 10 dollars a barrel in the near future.

It can be said with some justification that low oil prices over a short period of time would not seriously affect activity on the Norwegian continental shelf. There is reason to believe that oil prices will go up again in the nineties and oil companies will take this into account when making investment decisions. However, we must also consider that low oil prices over the next few years will clearly have a negative effect on oil companies' will and ability to invest.

## Shocking

During the seventies we experienced two waves of shocking crude-oil price increases. These provided a powerful stimulus for search and development of oil in new areas. At the same time, strong efforts were being made in many countries to cut back oil consumption and use alternative energy. In many ways, the situation is just the opposite today. Low oil prices have led to gradually increased oil consumption. Little by little we may end up wasting a resource of which there are no limitless quantities—a waste that will also have unfortunate global environmental consequences. The search for oil in high-cost countries is being scaled down, which will gradually result in lower production in these areas.

In a few years we may experience a new oil crisis. The greater the downward pressure on oil prices in the meantime, the more serious will be the crisis. Such a crisis could lead to another shocking price increase. Many oil consuming countries would then experience serious problems with their balance-of-payment and debt retirement. There would also be less chance of economic growth.

### Common Interest

Oil producing and oil consuming countries have a common interest in stabilizing oil prices so that they fluctuate within reasonable limits. One can always debate what would be a suitable price, but there is much to suggest that it should not be much below 20 dollars a barrel. This price is absolutely necessary to guarantee reasonable use of this resource until the year 2,000.

Oil prices can only be regulated by adapting production to the demand on a global basis. Some would claim that any attempt to regulate production would create more problems than could be solved in the long run. I cannot say that such regulation would be problem-free. In my opinion, the 1979-80 oil crisis was created by ill-advised regulatory measures on the part of OPEC. On the other hand, our experience suggests that an unregulated oil market yields extreme price fluctuations. This is probably one reason the oil market has been regulated, though in various ways, through the years.

### Joint Action

It would be best if the oil market could be regulated on the basis of an understanding between the most important producing and consuming countries. Under the present circumstances, this might seem Utopian. The next-best thing would be more or less joint action on the part of major oil producing nations.

The OPEC countries, particularly those in the Middle East, have a central role here. Saudi Arabia alone, for example, has enough idle capacity and is strong enough economically to have considerable market power. It seems clear, however, that OPEC now has problems establishing new production ceilings and quotas. The possibility that producers outside OPEC might curtail their production would obviously contribute to a solution.

# Higher Prices

Several non-member countries, like Mexico, Egypt and Malaysia, have said they are willing to make such a contribution. There are indications that the Soviet Union and China are also interested in regulating production if this would result in higher crude oil

prices.

The fear of continued low crude-oil prices and the prevailing uncertainty for oil producing countries is the reason the Harlem Brundtland government in its inaugural address signaled that Norway may also be prepared to contribute. The stipulation is that OPEC countries agree among themselves on a realistic plan to stabilize oil prices at a reasonable level. If so, it was made clear that Norwegian measures in the form of production limits, for example, would only include some reduction in the strong production growth expected in the years ahead.

# Strong Interests

Strong Norwegian national interests are tied to close connections and close cooperation with Western industrial countries. Our membership in NATO is central, but our associate membership in IEA (The Industrial Energy Bureau) must also be considered in this connection. With respect to IEA member countries, we must stress the importance to the Western world of a more or less well-ordered and regulated oil market and our national interest in same. We know, however, that countries like the United States and Great Britain will only have limited understanding of our basic position. Other member countries like Sweden and Japan are more on a level with us.

### Great Britain

The British government will hardly support Great Britain's participation in the regulation of oil production. This could be due to the fact that the net export of oil is of little importance to the country's overall economy. In any case, British oil production is expected to decline in the years ahead. Therefore, the British position should not prevent cooperation among other oil producing nations.

Norway has only some interests in common with the other oil producing nations. At a later date, oil prices may again go so high that we no longer wish to support them. Therefore, membership in OPEC is of no interest to us. Because we want to decide our unilateral contribution, a formal agreement on production limits is of no interest either.

# Too Early

It has been said that the recently concluded meeting in Britoni shows that OPEC is not able to agree on production measures. It is too early to draw such conclusions. The Britoni meeting may have been a step on the road to effective OPEC measures, but it did not provide sufficient clarification for the Norwegian government to evaluate what measures it will put into effect.

8952

END

CSO: 3639/132

# END OF FICHE DATE FILMED

12 Sept 86